NATION'S BUSINESS

April 1926

Taking the Curse Off Labor

By AGNES C. LAUT

I Favor Time Payments—Why?

By ALFRED P. SLOAN, JR.

President, General Motors Corporation

What Are the Stockholder's Rights?

By F. S. TISDALE

The Profit Side of Farming

By an Iowa Corn-belt Farmer

. . . the Pursuit of Golf Balls, by Raymond C. Willoughby
Opportunity Comes to Getsital, by Arthur Royce MacDonald
Wall Street, Main Street and the Farm, by Francis H. Sisson
Style Stealing and Trade Ethics, by Irving S. Paull

Map of Nation's Business, page 46
Complete Table of Contents, page 5

Published at Washington by the Chamber of Commerce of the United States

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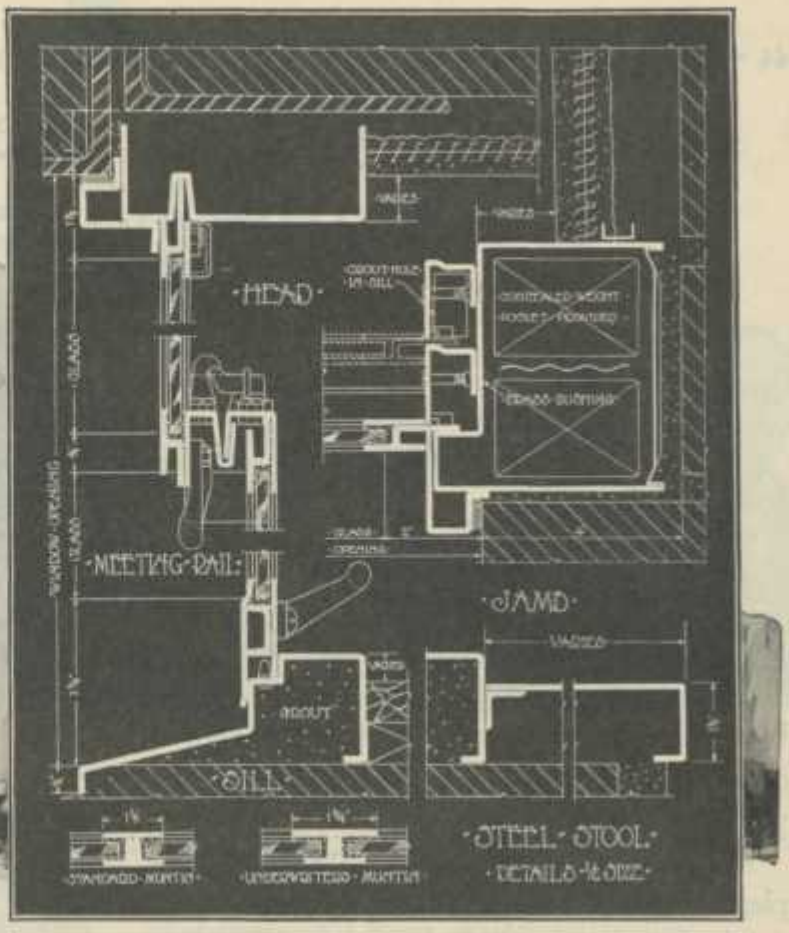


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Send me a copy of "The Austin Book of Buildings," your new 100-page book, free to Industrial Executives.
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For All Quality Buildings

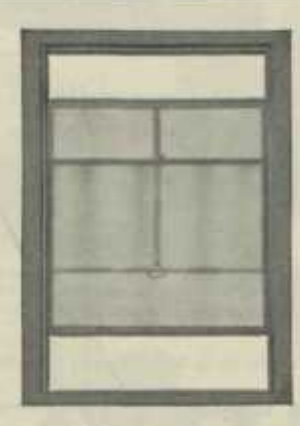
Wherever beauty must combine with durability, strength, practical simplicity and fireproofness, Truscon Solid Steel Double-Hung Windows offer unlimited advantages to architect, builder and owner.

In design and construction throughout these Truscon Windows are unmatched for the better class of buildings. Their weathertightness, extreme ease of operation and superior appearance alone make them the logical windows for quality construction.

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Foreign Trade Division, New York
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*A complete line of Steel Buildings, Steel Windows, Metal Lath, Steel Joists, Steel Poles, Concrete Reinforcing for Buildings and Roads, Pressed Steel Specialties, Waterproofing & Technical Paints. Truscon maintains Engineering and Warehouse Organizations thruout the Country.

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"More for your money is a Statler policy"





ONE THING these hotels have always meant to travelers is *better values*—in rooms, in food, in service, in comfort. Just compare Statler *values and prices* with those of other first-class hotels.

And then in service: you are promised complete satisfaction in every transaction, and every employee is under permanent orders to *satisfy* you when he is serving you—or, if he can't do so, to get his superior on the job at once.

The theory behind that practice is, of course, that every employee is to *go to the limit of his authority to please you;* and if he fails to please you, he is to get someone who can and will—someone with *more* authority.

Another thing that counts with you is the completeness of these hotels' facilities—the variety from which you may choose. Each of them has, for instance, a cafeteria or a lunch-counter (or both), in addition to the more elaborate dining-rooms which you expect in a first-class hotel.

And in any and every case you get comfort, convenience, all the advantages of the most modern construction and equipment. You get, in short, more for your money.

E. M. Statler

Rates are unusually low, in comparison with those of other first-class hotels:

Rates are from $3 in Cleveland, Detroit and St. Louis; from $3.50 in Buffalo, and from $4 in New York. For two people, these rooms are $4.50 in Cleveland and St. Louis, $5 in Detroit, $5.50 in Buffalo, and $6 in New York.

Twin-bed rooms (for two) are from $5.50 in Cleveland, Detroit and St. Louis; from $6.50 in Buffalo, and from $7 in New York.

And remember that every room in these houses has its own private bath, circulating ice-water, and many other conveniences that are unusual—such as, for instance, the bed-head reading lamp, the full-length mirror, the morning paper that is delivered to your room before you wake.

Everything sold at the news stands—cigars, cigarettes, tobaccos, newspapers, etc.—is sold at prevailing street-store prices. You pay no more here than outside the hotel.

The experienced traveler plans to be in a Statler over Sunday.

Boston's Hotel Statler is Building:

A new Hotel Statler is under construction in the Park Square District of Boston—to be opened late this year, with 1300 rooms, 1300 baths.

And an Office Building:

Adjoining the hotel will be the Statler Office Building, with 200,000 sq. ft. of highly desirable office space. The two structures will occupy the entire block.

STATLER HOTELS

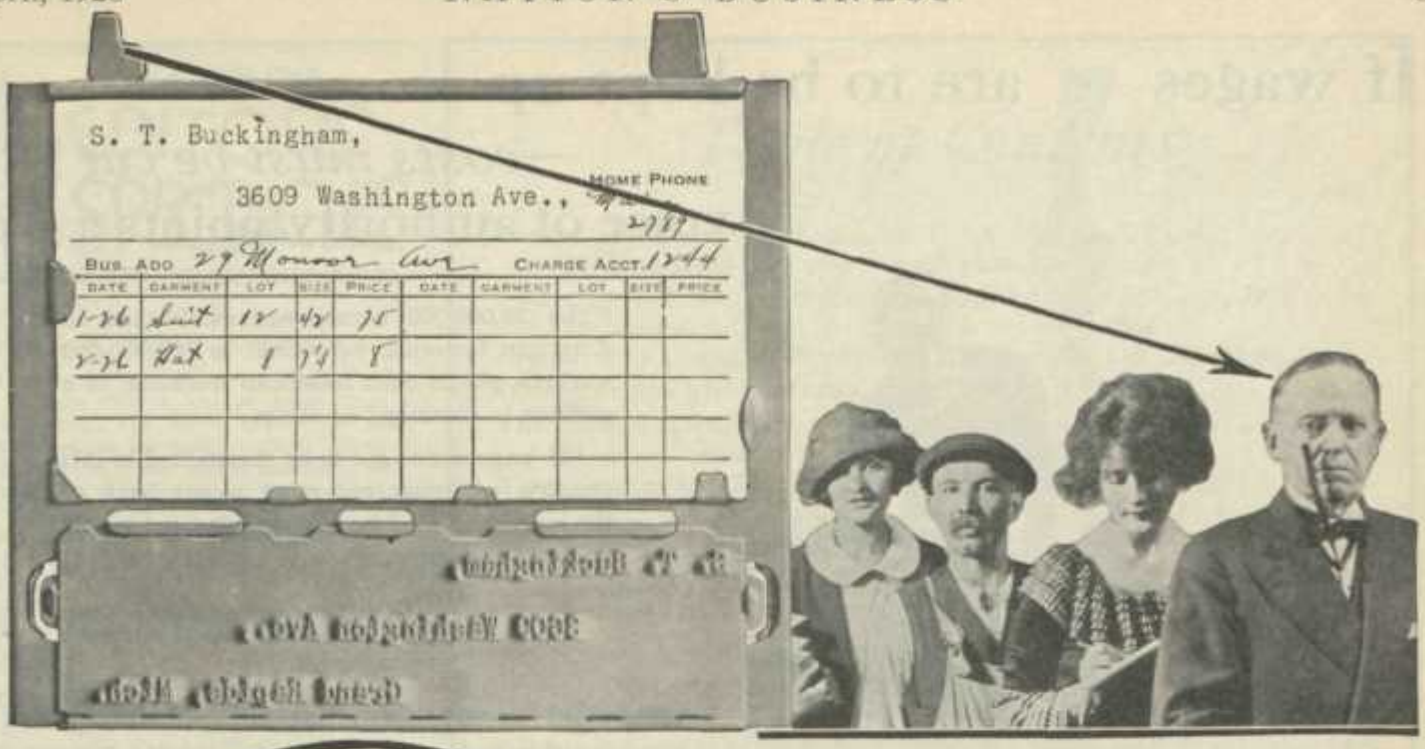
Buffalo~Cleveland~Detroit~St. Louis

Hotel Pennsylvania *New York*

The largest hotel in the world—with 2200 rooms, 2200 baths. On Seventh Avenue, 32d to 33d Streets, directly opposite the Pennsylvania Station. A Statler-operated hotel, with all the comforts and conveniences of other Statlers, and with the same policies of courteous, intelligent and helpful service by all employees.

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When writing to STATLER HOTELS *for reservations please mention Nation's Business*





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Prints Thru a Ribbon

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PRINTS FROM TYPE

"Individualizes" Your Selling— Tells What & When Buyers Buy—

Addresses Them Automatically—

REMOVABLE metal tabs in certain positions classify names according to buying seasons—goods wanted—sex, etc. Tabs work with Selector Attachment of Addressograph which prints *certain* desired names—skips others—*automatically*.

Saves Duplicate Files—

WITH "Record Card" address plate pictured above, Porte Publishing Co., Salt Lake City, transferred three high-salaried file clerks to more important work—and discontinued two paper card files. Blue Valley Creamery Co., Indianapolis, consolidated *three files into one* and saved two clerks.

Special Printed Cards—

SPECIAL printed cards to meet your individual needs. Both sides of cards can be used. *Special* frames for holding *more* than one card can be furnished. Frames used over and over when changes occur—never discarded.

FREE Trial—Mail Coupon—

909 W. Van Buren St., Chicago, U. S. A.

Canadian Main Office:
60 Front Street, W. Toronto, 2.

Factories:
Chicago—Brooklyn—London

MAIL with your Letterhead To
Addressograph Co.
909 W. Van Buren St.
Chicago, Ill.

☐ Send Prepaid FREE Trial Hand Machine. Will return Freight COLLECT unless we buy.

☐ Have representative demonstrate these latest "Record Card" features to us.

☐ Send FREE Sample "Record Card" Metal Address Plate and Latest Catalog.

33-4-26

When writing to ADDRESSOGRAPH Co. *please mention Nation's Business*

If wages are to be kept up
—*costs must be cut*
A voice of authority points a way



FRICTION—
the unseen waster of horsepower

"The 29,000,000 horsepower established in American factories, equivalent to 290,000,000 workers, places each American workman in a position to command 33 slaves."

"If wage scales are to be maintained in this country, we must put more power back of the individual worker, and see that the supply is ample and the cost low."

This is the considered utterance of
OWEN D. YOUNG
great industrial leader

Industrial experts say that 50% of the power generated in industry is wasted—that is, 2 horsepower are created, but do the work of but one.

Power that drives machines against needless frictional resistance is worse than wasted; it is diverted to destroy the very machine it drives, for it multiplies wear as it overrides the resistance.

Fortunately it is possible to eliminate this waste and this destruction by removing the drag that slows production. Effective lubrication will do it.

In our experience in many plants 3% to 30% power has been saved through changes effected in lubrication.

Simply buying good oil will not solve the problem. The oil must exactly fit the needs of the machinery for which it is designed. Individual operating conditions must be studied.

In fact, lubrication is so technical a subject that only specialists can properly survey the needs of individual plants and accurately prescribe correct lubrication for them.

As the world's leading specialists in the manufacture and application of lubricants, the Vacuum Oil Company offers you results of its ripe knowledge and experience. We invite you to get in touch with us.

A few cases in point—

FROM OUR FILES OF REPORTS OF PERFORMANCE RESULTS

Recommendations of the Vacuum Oil Company engineers have effected important power savings in every industry throughout the world. A few examples:

FILE NO. 1125—$2,400 saved in purchased-power bills of a Wisconsin lumber mill, with increased running time.

FILE NO. 9245—$2,500 annual power savings in a paper mill. Correct lubrication of a steam engine produced sufficient added power to make the use of a power-consuming electric motor unnecessary.

FILE NO. 6304—$4,680 aggregate annual power saving in 4 units of a cement mill, with attendant increased production.

FILE NO. 11203—$2,325 per year saved in generated power in a well-known eastern mill—a 30% recovery of horsepower formerly wasted.

All these savings were attended by smoother production flow.

GARGOYLE

Lubricating Oils
for
Plant Lubrication

Vacuum Oil Company

Headquarters: 61 BROADWAY, NEW YORK
Branches and distributing warehouses throughout the country



FROM that wise old exemplar of common sense, E. W. Howe, of Atchison, Kansas:

I've always said this would happen: Recently a man stole a loaf of bread from a baker's wagon. The driver caught the man, and took him to the police station. When it was explained that the culprit had been without food for three days, the policemen and judge raised a purse for him . . . And when the men down town heard of the hungry man, they, too, began giving him money, and found him a job.

If this incident becomes widely circulated, soap-box agitators will lose their most powerful argument.

A READER who says he endorses our saner-letter campaign sends us the following verse by Carolyn Wells:

They beg to inquire and they beg to state,
They beg to advise and they beg to relate;
They beg to observe and they beg to mention,
They beg to call your kind attention;
They beg to remark and they beg to remind,
They beg to inform and you'll herein find;
They beg to announce and they beg to intrude,
They beg to explain and they beg to include,
They beg to acknowledge and they beg to reply,
They beg, and they beg, and they beg, oh why!
They reluctantly beg for a moment of time,
They beg to submit you an offer sublime;
Till I wish I could put the annoying array
Of beggars on horseback and send 'em away.

ONE reason for so many laws, writes a York, Pa., subscriber, is that the emoluments thereof go to the agitators thereof. Consider, says he,

the emolument of one of our county officers. In addition to a $5,000 salary, our county treasurer received for acting as state agent the following:

Issuing Fish Licenses	$602.50
Issuing Dog Licenses	1,734.57
Issuing Resident Hunters' Licenses	1,466.70
Issuing non-Resident Hunters' Licenses	4.50
Issuing Mercantile Licenses	1,077.50
Commissions on Funds collected	616.63

Some day we will wake up to the fact that the high cost of living is due to the high cost of lawing.

ONE indication that NATION'S BUSINESS is treating timely questions of government and business is shown by the fact that Congress since December first has ordered five NATION'S BUSINESS articles reprinted in the *Congressional Record*. One of these articles, that on 50-50 Federal aid, provoked discussion in the Senate on two successive days.

WE HAVE called attention more than once to the activities of the new national organization, the S. P. C. S. P. G. (Society for the Prevention of Calling Sleeping-car Porters George). It gives us pleasure to chronicle the result of the first scrimmage, a flank attack on the sleeping car through the diner. An Associated Press dispatch says:

"George" no longer has the field to himself

Table of Contents

	PAGE
TAKING THE CURSE OFF LABOR.....BY AGNES C. LAUT.....	15
The future of the white-collar, college-bred man in industry.	
I BELIEVE IN TIME PAYMENTS—WHY?..BY ALFRED P. SLOAN, JR....	18
The president of General Motors writes on instalment selling.	
OPPORTUNITY COMES TO GETSITAL.....BY ARTHUR R. MACDONALD	20
WHAT ARE THE STOCKHOLDER'S RIGHTS?.BY F. S. TISDALE.....	22
THE PASSING OF PORK AND PIE.....BY JAMES L. WRIGHT.....	24
Congress is becoming a businesslike spender.	
TRADE ETHICS AND STYLE STEALING....BY IRVING S. PAULL.....	26
. . . THE PURSUIT OF GOLF BALLS.....BY RAYMOND C. WILLOUGHBY	28
THE F. T. C. AND TRADE ASSOCIATIONS.....	30
Commissioner Humphrey's dissenting opinion in trade-body inquiry.	
THE BUSINESS MAN'S PRIMER.....BY CHARLES DUNN.....	31
EDITORIALS.....	32
WALL STREET, MAIN STREET, THE FARM..BY FRANCIS H. SISSON.....	34
TEAM WORK TO SAVE A RAILROAD.....BY E. V. WILCOX.....	36
AMERICA'S CENTURY-OLD FAMILY FIRMS.BY MARK SULLIVAN.....	38
A sketch of the vicissitudes that some of our old family firms have weathered	
THE PROFIT SIDE OF FARMING.....BY W. H. BRENTON.....	42
An Iowa farmer discusses a little-talked-of side of agriculture.	
THE MAP OF THE NATION'S BUSINESS...BY FRANK GREENE.....	46
CONGRESS IS QUITTING—BILLS DYING..BY WILLARD M. KIPLINGER	48
YANKEE MOTORS CROSS THE SEVEN SEAS.BY CHAUNCEY DEPEW SNOW	54
ORGANIZED BUSINESS GOES TO SCHOOL.....	58
REMAKING OUR COSTLY CALENDAR.....BY NIXON PLUMMER.....	62
PUTTING A CITY'S FIGURES TO WORK.....BY ROBERT H. MYERS.....	64
LET'S PAY U. S. JUDGES MORE.....	68
BIRTHDAY BANQUET RECALLS GENIUS.....	70
THEY TELL THE BOSS—AND HE LIKES IT.....	72
HOW MANY TRAINS ARE ENOUGH?.....BY ROBERT S. HENRY.....	74
REVISING OUR FOREIGN TAXES.....	76
CORN SUGAR STATUS STILL UNSETTLED...BY E. B. REID.....	78
CONSERVING HEALTH, A NATIONAL ASSET.BY DR. HUGH S. CUMMING..	80
THE DEPARTMENT STORE'S FUTURE.....BY PERCIVAL WHITE.....	86
ETHICS OF CHINESE AND AMERICANS.....	94
RECENT FEDERAL TRADE CASES.....	96
DIGEST OF THE BUSINESS PRESS.....BY WM. BOYD CRAIG.....	100
CHIPS FROM THE EDITOR'S WORK BENCH.....	110
SENSE *vs.* DIGNITY IN BUSINESS.....	116
GOVERNMENT AIDS TO BUSINESS.....	117
NEWS OF ORGANIZED BUSINESS.....	122
REVIEWS OF RECENT BUSINESS BOOKS.....	129
HUMAN NATURE IN BUSINESS.....BY FRED C. KELLY.....	132

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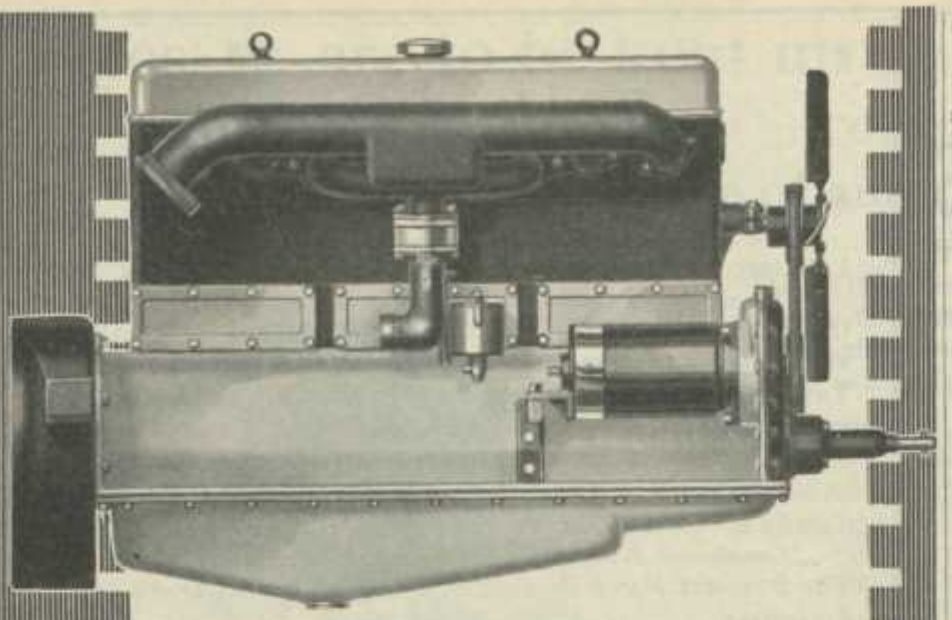
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As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers to which expression is given.



Easy on the Gas Tank!

WHERE profits depend much on ton-miles-per-gallon, Wisconsin's extra mileage on fuel and oil quickly climbs into a real money saving.

And these great motors *do* deliver this good measure. Their More Power per Cubic Inch is borne out day after day—by every model in the Wisconsin line of overhead-valve Fours and Sixes.

Wisconsin has taken the highly efficient overhead-valve principle and steadily refined and developed it—made it deliver more than it ever did before.

The facts are interesting and convincing. They will be sent gladly to any executive. Write—

WISCONSIN MOTOR MFG. COMPANY
MILWAUKEE WISCONSIN

MORE POWER per CUBIC INCH

Wisconsin Motors are manufactured in a full line of Sixes and Fours, with power range from 20 to 120 H. P.—for trucks, busses, tractors, and construction machinery.

Wisconsin CONSISTENT



as waiter in the dining cars of the Pennsylvania Railroad. Rudolph, Ethelbert, Maximilian and Alexander will have their places too.

In a statement today the railroad authorities said hereafter the names of the waiters in dining cars throughout the system will be printed upon the menus:

"To know their waiter by name should have a decided tendency to make patrons feel more at home," the statement said.

Great is the power of organization!

LADY ASTOR, Virginia-born peeress of England and first "legislady" of the realm, offers any British admirer of bolshevism a free trip to Russia, provided any who accepts will agree to live there two years and support himself by his own efforts in its "broader opportunities" and under the beneficence of its ministrations.

At latest cabling, it hadn't been necessary to placard "Lines Form to the Right" at the entrance of Lady Astor's town house. No evidence of throngs eager to take advantage of a free trip to an earthly Utopia.

MR. J. F. HARRINGTON, of Live Oak, Sutter County, California, writes:

Have just read "A Pair of Shoes" by Mr. Tisdale. It's great! Tell Mr. Tisdale to study the problems of John Bains' father. How much profit did he make? He states conditions exactly, but where is the way out for all of us?

Enroll me as a subscriber to NATION'S BUSINESS.

Perhaps Mr. Harrington's last sentence answers the preceding question.

EDITOR, NATION'S BUSINESS:

Mr. Ford having suggested the manufacture of artificial milk now comes a prediction of laboratory beefsteak. I want to announce publicly that I am against all of these scientists and mass producers who are trying to put Nature out of business. I don't believe any of them ever will make as good a soft shell crab as the ones we get in the open market and I'll go as far as to say that a wild duck never will be turned out in mass production to equal the ones now living a free and untrammelled existence on Chesapeake Bay.

Look what they did to the watermelon. When I was a kid I could tap them with my knuckles and tell exactly how ripe, crisp and sweet they would be. Today they are twice as big and they'll ring like a bell, but when you get them home they have the flavor and texture of an overripe cucumber. In the old days if you let one fall six inches it cracked wide open—I can still hear that sweet sound. You can throw the cross-bred eugenic product of today across a lot and it will bounce like an old football. The real watermelon has been bred out of existence just for more carloads to the acre and "better shipping quality."

The new-fashioned peach looks like a picture in a nursery catalogue and tastes like an old turnip. Remember the Golden Russet apple? Gone! One of them had more sap and sugar than a barrel of the synthetic cotton batting product.

Now they are going to put the beef steer and his side-pardner, the Poland-China, out of business. Laboratory eggs, drug store bacon! Can't anything be done to save us from the boys who help Nature along? Can't you persuade them to quit taking the taste out of things and to put in their time, for instance, on trying to bring back the simple, plain, home-loving old watermelon we used to have?

A pathological element seemed to enter in the origin of this communication and we referred it to our favorite diagnostician. A very simple case, he reports; our correspondent is using a badly worn digestive ap-

paratus while thinking with the one he had as a boy.

WE RECEIVE a number of letters commenting on the Greene Map which shows the business conditions of the country in black and white. Most of the letters have the same thought, that conditions in a particular locality are not as black as they are painted, and anyway it will give a bad impression to anyone thinking of doing business there, starting a branch office, or the like if the black ink predominates.

We always agree with the writers, but we



can't please them all. Herewith is a business map as we would like to print it every month.

If dissatisfied with this map, well, we suggest that the matter be taken up with your congressman.

PARAGRAPHS of approval from four letters, picked at random from the day's mail:

If I have missed any issues please mail them at once. Certainly enjoy your magazine. Instructive and helpful.—C. H. INGERSOLL, ROCKY RIVER, OHIO.

I value the publication very highly and would not consider being without its services. —J. E. MILLS, GENERAL SERVICE MANAGER, PACKARD MOTOR CO., DETROIT.

You will do me a favor if you will mail the February number NATION'S BUSINESS to Mr. W. L. Stockton, Clarkston, Montana. Mr. Stockton is president of the State Farm Bureau. There are two articles in the number that will be of special interest to Mr. Stockton. —B. C. WHITE, BUFFALO CREEK SHEEP RANCH, BUFFALO, MONTANA.

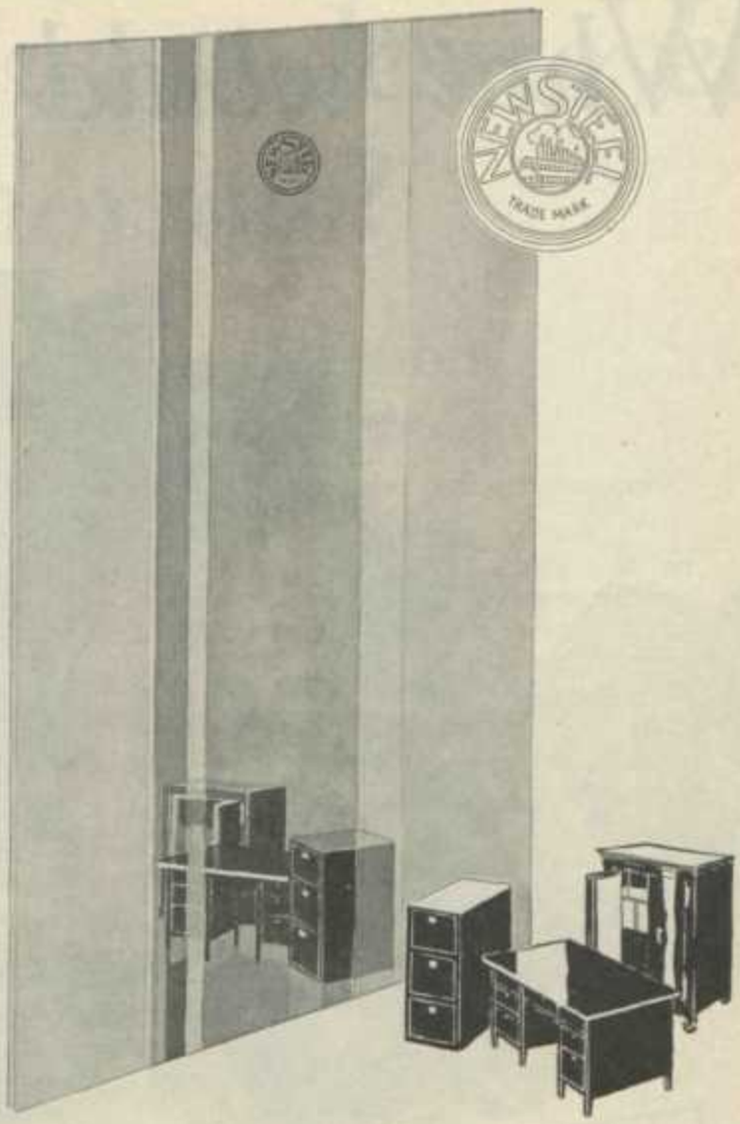
I secure a more comprehensive idea of business progress on a review of this magazine than from any other source available. For that reason it is a welcome visitor to my desk. —W. H. EDMONDS, DENVER INTERURBAN RAILROAD, DENVER, COLORADO.

There you are—a retired business man, a motor car executive, a sheep rancher and a traction man—miles apart in geography, each finds a common interest in NATION'S BUSINESS. That's because business and economics are after all the warp and woof of American life and therefore hold a common denominator of interest for all of us.

IT IS one thing to print a magazine, and another to have it read after it is printed. While the constant circulation growth of NATION'S BUSINESS is a source of great satisfaction to everybody in the organization, I think it is of far greater importance to know that the subscribers are reading and enjoying it.

One barometer of its reading quality is the number of reprints that appear in the newspapers. Newspaper men are, after all,

NEWSTEEL REFLECTIONS No2



A PERMANENT FINISH
for the years to come

Newsteel Sheets are made for those manufacturers requiring sheets about which there is not, and never can be a question of substitute or compromise.



The story of this precision in manufacture is told and illustrated in the Newsteel Catalog. A copy will be forwarded upon request.

THE quality of steel sheets used in making metal office furniture is easily apparent in the surfaces and finishes of the various pieces. Here, as much as in their ductility, strength, and durability, is found the great value of Newsteel Sheets. They retain their fine and even smoothness after much bending, punching, and shaping, so that varnishes and enamels can be applied with a sure knowledge of their long retention.

In this respect, Newsteel Sheets are not ordinary.

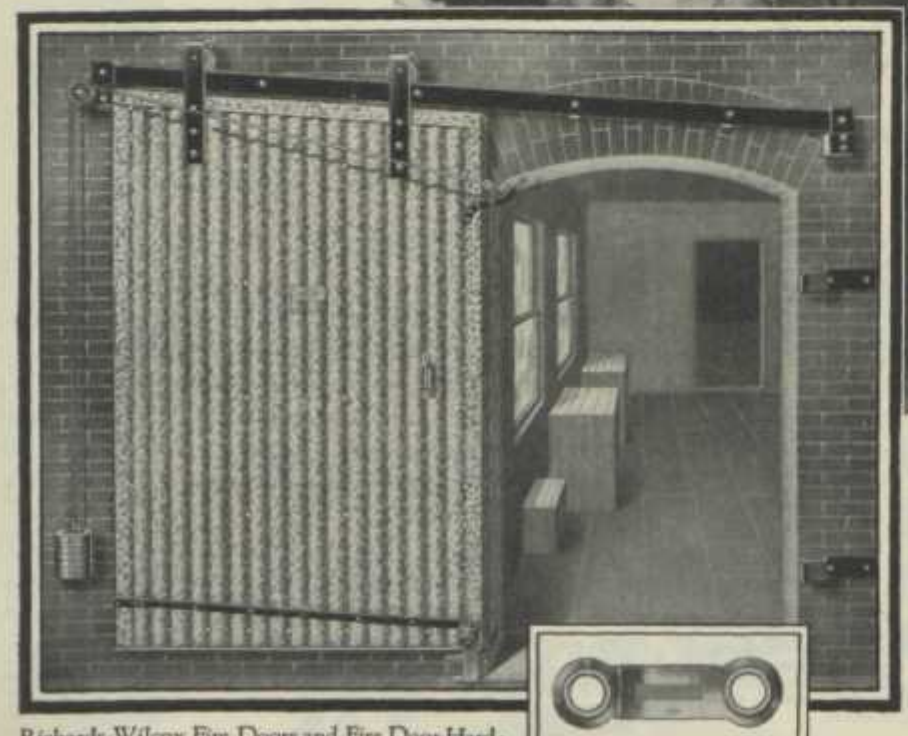
For metal office furniture and equipment, which depend in a measure on attractive appearance to indicate sound construction and rare worth, Newsteel Sheets have gained a place of preference that cannot be usurped.

THE NEWTON STEEL COMPANY
YOUNGSTOWN, OHIO

When writing to THE NEWTON STEEL COMPANY *please mention Nation's Business*

What would happen if





Richards-Wilcox Fire Doors and Fire Door Hardware—to meet any requirement—are covered in a complete catalogue. Send for your copy.

R-W Fusible Links are furnished for different degrees of temperature to meet any requirement.

your plant were destroyed tomorrow?

Insurance *is not* protection

YOU carry insurance, of course. Every sane business man does. But if fire destroyed your plant, what would become of your organization, of your dissatisfied customers, of your trained employees, of the orders on your books?

No fire can pass automatic FyeR-Wall Doors. They are a sure and positive protection to any building. FyeR-Wall Doors are made of corrugated galvanized sheets with heavy asbestos between. The hardware and operating equipment is automatic and positive.

They do the work and are guaranteed for twenty-five years.

FyeR-Wall Automatic Doors cost no more than tin clad doors. They cost nothing for maintenance. They last as long as the building. And they *save money*. You get a 15 to 25% lower insurance rate on your buildings when they are equipped with FyeR-Wall Automatic Fire Doors. Both the doors and the hardware, after passing the highest laboratory tests, carry the label of the Underwriters Laboratories.

Richards-Wilcox Mfg. Co.

"A Hanger for any Door that Slides."

AURORA, ILLINOIS, U.S.A.

New York Boston Philadelphia Cleveland Cincinnati Indianapolis St. Louis New Orleans
Chicago Minneapolis Kansas City Los Angeles San Francisco Omaha Seattle Detroit
Montreal - RICHARDS-WILCOX CANADIAN CO., LTD., LONDON, ONT. - Winnipeg



(718)

EVERY ROOF NEEDS INSULATION



Applying 156,485 sq. ft. of 2-inch Armstrong's Corkboard on the roof of the Bevo Bottling Plant, Anheuser-Busch, Inc., St. Louis, Mo., in 1918.

On the Bevo Plant— A Cork Insulated Roof

EIGHT years ago, Anheuser-Busch, Inc., St. Louis, insulated the roof of their Bevo Bottling Plant with two inches of Armstrong's Corkboard to remedy unsatisfactory temperature conditions inside the building. And, according to Mr. A. Von Gontard, supervising engineer, in a letter written Sept. 18, 1925, the cork insulation has not only saved fuel, but has resulted in better control of humidity and much more satisfactory temperature regulation to the great advantage of the workmen. "We highly recommend Armstrong's Corkboard roof insulation," says Mr. Von Gontard.



Armstrong's Corkboard is made of pure cork in boards 12 inches by 36 inches—from 1 inch to 6 inches thick.

Every roof needs insulation for every roof that is not insulated "leaks" heat; and that means that the rooms under it are hot in summer and difficult and expensive to keep comfortably warm in winter. Where there is high humidity, the ceiling sweats.

Heatproofing the roof with Armstrong's Corkboard is the most effective and economical remedy for these troublesome conditions. It is effective because it removes the cause—makes the roof practically impervious to the passage of heat in or out and keeps the ceiling warm. It is economical because it can be done at any time, on any building, and at small cost. Armstrong's Corkboard is laid (in a single layer for any thickness) over the roof deck, wood or concrete, flat or sloping, and standard roofing applied in the regular way on top of the cork. It is nonabsorbent and will not buckle or swell. It is a fire retardant. It is permanent and will not rot or disintegrate.

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for the Roofs of All Kinds of Buildings

the best judges of what is of general interest, and they select their articles for reprinting with great care.

This magazine is quoted in the press today as frequently as any other publication in America. That is a good sign.

Another indication comes from the great number of letters from subscribers who comment on articles; sometimes, we must admit, the opinions offered are not altogether complimentary, but we try to convince ourselves they are none the less welcome.

Floyd W. Parsons, one of the most widely read writers on industrial subjects, referring to his article, "The Specter of City Ownership Fades," in NATION'S BUSINESS magazine, writes us:

> I do not believe it is any exaggeration to say that I spent more time answering letters that were brought out by this article, than I did in actually preparing the story itself.

YOU big captains of industry, always looking for new ideas! Here's one we heartily recommend:

> "I have always been greatly interested in NATION'S BUSINESS," writes George D. McIlvaine of the National Pipe and Supplies Association, Pittsburgh, "and while reading it today thought that it would be quite an addition to the educational life of college boys. So just to make an experiment I am inclosing a check for a subscription to be sent to my old fraternity, Phi Kappa Psi, Lafayette College, Easton, Pennsylvania. I believe that these young fellows will find much of interest from month to month, and, in any event, I am glad to make the experiment."

The market? Three thousand fraternities, with 400,000 young men. Who'll be the first to underwrite a subscription?

HE IS a member of Congress and for a number of years has been adding to his income by speaking over the Chautauqua circuit. He and his family had grown to look upon those summer lectures and resultant checks as a regular thing. He told me:

> For some reason there wasn't any active demand for my speeches last season. Here and there, yes, but fewer engagements and less per engagement. It hurt my feelings and my pocketbook, too; and you can't go much further in hurting a man these days.
>
> I decided to find the cause, and it took only a minute or two. Yep, the radio. The people can stay home and listen to bigger and smarter men than I am, and they're demanding something more exciting than oratory for their summer meetings.
>
> My oratorical sideline is going, if it hasn't already gone, and I'm too old to join up with a Russian ballet.

AN ELONGATED plainsman was a fall night guest at a prairie town hotel, a few years ago. The night turned squally. The long guest tucked the coverings of his bed about his chin only to discover that when he was all nice and comfy in that sector, his feet were bared to the gusty chill. And when he gave the coverings the "bachelor's tuck" his shoulders were exposed. In such alternate chilling of his extremities, the guest spent a perfectly unsatisfactory night.

"It's a brimstone outrage," he glowered. "Something ought to be done about it."

And something was done about it. The celebrated "nine-foot sheet" law of a midwestern state was the "something."

It is such ordinances that make the American law books fat and paunchy, and what's more to the point, these trick laws invariably carry salary attachments for boards, commis-

sions, inspectors, inquisitors and whatnots. To illustrate: A friend at a county-seat town of about 2,500 found there no less than nine various state inspectors, travelling at state expense, and drawing "per diem."

So it goes. A century ago, one public officer sufficed to administer government to 100 citizens. Nowadays, with our nine-foot bed linen and other modern legislative embroideries, there's about one official for each ten citizens.

LET'S register some women in our "Fewer-Laws Club." Not long ago the California Federation of Business and Professional Women's Clubs heard this from its president in her quarterly report:

As I have stated before, it is my experience that the business woman looks with disfavor upon the alarming tendency of so many citizens to circumscribe humanity with legislation. We have yet to learn that it is impossible to legislate industrial prosperity or morality; this can be accomplished only by the observance of natural laws. What we want and what we need is less law and greater enforcement. We are such a joke, we humans; we spend all our time trying to set aside the inviolable laws of nature and only succeed by our efforts in setting still more laws in motion. Such procedure, if persisted in, can culminate in but one thing—lawlessness. Let us set ourselves on record as absolutely against the enactment of needless laws.

MR. CHARLES H. PETERS, who is a lawyer in Knox, Indiana, writes us to uphold our hands in our warfare against the flood of legislation which deluges the country.

But, says Mr. Peters, we should not blame the legislators alone. The fault, he says, lies with the people who demand legislation, and he would have a submission to the people at each election of all laws introduced in Congress or our state legislatures.

What an enormous task he proposes. Who, among us, would read the laws submitted at any one session of any one legislature? Mr. Peters further on in his letter says, "In the latest revision of our own state statutes (1914) we have 10,525 sections besides the acts of 1915–17–19–21–23–25."

Mr. Peters asks if he may join the "Fewer-Laws Club" and then says, "If any charges, please advise." A letter of approval is the only dues we exact. Mr. Peters has paid.

A CURIOUS bit in the *Locomotive Engineers Journal* says: "Acquisition by the Canadian Government of the Canadian Pacific Railway is being advocated in the Ottawa Parliament House, following Sir Henry Thornton's testimony that the merger of the Canadian Pacific Railway (privately owned) and the Canadian National Railways (publicly owned) would wipe out the deficit now incurred on the national railways."

"In your opinion would not the real solution of the problem be found if the two roads were entirely merged?" W. D. Euler, Chairman of the Railways Committee, asked Sir Henry Thornton at the House committee meeting.

"I can say that if by any chance such a thing could come about, such savings as would result could be characterized only as enormous. . . . We could substantially produce net earnings which would be sufficient to meet the fixed charges of both companies."

To have anything approaching appreciation of the humor of this plan to consolidate the privately owned Canadian Pacific with the publicly owned Canadian National and thereby be enabled to meet fixed charges on

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both lines, one must know something about the earning power of the two systems.

In 1924 the Canadian Pacific, privately operated, had net earnings after all charges, of $37,227,241.

The Canadian National, under government ownership, did not do quite so well. In fact it actually lost money. To be accurate its deficit was $54,860,419.

As the Locomotive Brotherhood magazine says regarding the proposed consolidation, "The Canadian Pacific Railway has not taken kindly to the suggestion." We imagine that is putting it mildly.

JUST when we were thinking pretty well of the automobile and our automobile industry, along comes this letter to the editor from Mr. Charles F. Meth, of Omaha, Nebraska:

Formerly, it was a poor man's ambition to own a home—now it's to own a car. We are burning up the oil reserves that belong to future generations. The automobiles will eventually wipe out and wreck the street car systems that are essential, and will come near to doing the same for our railroads. Our families are huddled into two rooms, with hallways littered with go-carts and bicycles. The automobile is the greatest absorber of savings. Out of work a week, workers are up against it and blame the government. Business pays high rental for location, and customers have to alight in the middle of the street and climb over fenders to get to the stores. Contractors can't get material on construction jobs on account of workers' autos. Factories need more parking space for the workers' cars than for the factory. Rental agents find but few who own anything but a car—not even a dish or sheet, nothing but a frying pan and can-opener. Today rents are collected every week or half week. The remainder of income goes into gas. Millions are going hungry and children are undernourished in order to keep the Lizzie rolling.

When are we coming back to a sane state of affairs?

I TRAVEL a great deal. I often hear it and always from the same source. It goes about like this:

"Yes, this ought to be a good town, if it wasn't for a certain group that tries to run everything. The North American Tire Company wanted to build their big plant here the worst way, but this whole-hog crowd got control of the land they had selected and boosted the price to a thousand dollars a foot. The tire people went to Billtown where the citizens gave them sixty acres and took half a million dollars worth of stock. Going to employ twelve hundred men to start with.

"Same way with the G. H. & O. shops. Lost them on account of right of way across an alley; tried to hold them up. A thousand dollars was all that stood between 'em.

"Sure, there's quite a lot of new buildings going up, but you'll find out there ain't a dollar of it coming from local capital. All Eastern money. Fact is, there ain't any money in the town. We could have had the Dempsey-Carpentier fight—Rickard was all set to put it here—but they couldn't raise enough money in the town to guarantee building the arena.

"Talked for years about a new hotel and after they did raise the money they had to get outside people to run it. Haven't had a good show here since Coolidge was elected and when they do come they don't get half a house. Last year we won the pennant because all the other teams were rottener than ours. At that they sold the only pitcher who could last five innings to Cleveland.

"I've been here twenty-two years in the same shop and same chair and have about made up my mind to change. A little tonic on that hair?"

M.T.



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Vol. XIV, No. 4

NATION'S BUSINESS

A Magazine for Business Men

April, 1926

Taking the Curse Off Labor

By AGNES C. LAUT

Author of "Lords of the North," "Freebooters of the Wilderness," "Vikings of the Pacific," etc.

Drawings by John McCormick

WHEN first I knew Minnesota, an attendance of 400 at the State University was trumpeted as a triumph for higher education. There are today in the State University and its extensions and affiliations 20,000 students.

When first I visited Washington, 200 graduates a year were subject for congratulations. There are today, 8,000 students in Washington University. Add 20,000 more for California and Oregon—and that total is below the actual for the Northwest, for there are still Idaho and Montana and the Dakotas—and then add religious colleges doing higher educational work. The class of work in all is equal to the best in eastern universities.

Whether or not one agrees with Governor Hartley, of Washington, that here we are "treading on forbidden ground . . . out of economic balance . . . instead of offering equal opportunity to the many, we are providing special opportunity for the few"—one has to acknowledge that a lot of persons are asking themselves where this growing army of graduates are to get jobs in an area whose peculiar demand is the horny hand and brawny muscle for forest, mine and farm.

Will They Work?

WILL the white-collar and kid-glove graduate doff collar and glove for blisters from an axe, aching muscles from a miner's pick, and tired back from plow and pitchfork?

It is well known that one big Middle West university last year graduated more teachers than there were teachers' jobs open in the whole state. It is also equally well known that in the slump of 1920–23, there were more starving lawyers and doctors and professional men than there were clients and patients and customers. Perhaps "starving" is too strong a word; but it is the word they, themselves, use in confessional moods. What they mean is this:

An income of $1,500 a year would have kept their families and left over something for the savings bank twenty years ago while now $1,500 a year would not pay for their motor car and taxes; and if they dropped the motor car, the other fellow would get the practice and they would be tagged as down and out.

An old western radical recognized me as having visited I. W. W. camps twelve and fourteen years ago on the Pacific Coast. He was a waiter in a new hotel in Seattle.

"Didn't you visit our camps in the Fraser River Canyon when we were building the Canadian National?" he asked.

"Yes," I said, "and though I wrote against your methods as bound to fail because they were unsound, I didn't betray you to the police, who had driven you out on shank's mare that morning at Hope or at Yale, when



"Lumber machines are the most human monsters I know on earth. . . . Yet there are brains—trained brains and trained hands behind the machine"

I recognized you slipping back in disguise on the East Bound that very night under the police's nose."

"I remember," he laughed. "I think the boys knew; for you were standing right among the police looking straight at the boys; and they must have known you recognized them. . . ."

"Then, what in the world are you doing here, a waiter in a hotel, instead of out on the field?"

"I am no longer a radical," he answered.

"How is that?"

Here is his answer. I want you to ponder it. He had worked it out himself. He had not read countless books, that came out during and since the war, which said the very same thing and didn't say it half so well.

I'll wager he never heard of Frankenstein's monster though he knew his Karl Marx by heart.

"Because *the machine we created is devouring us*," he said.

If a world economist had said that, he would be patting himself on his back for the phrase to the end of time. It is practically the entire topic of a new book just off the press.

"It's like this," he went on, " 'member when you were out, we were fighting to hoist $4 a day to $8 and get hours down to ten? We boasted then we'd get the hours down to eight and hoist her to $10; or stop every wheel going round."

"I remember—I quoted you word for word—"

"Well, we did it. We went one better. We got her up to $12 and $16 and $18 a day; but the machine we created is devouring us. Production costs are so high they come back in higher prices for all we eat and wear. The working man can't afford to build and own his own home.

People Build Less

"PEOPLE buy and build less. When production slacks off, first man hit is the man thrown out of a job. That happened to me right after the war. That's what happened to thousands of us."

I went upstairs with my head in a whirl. Here was "the machine we have created devouring us" among the manual workers, and here were the universities—in fact the whole educational system—turning out more white-collar workers than there were jobs. I felt as if I were drowning in black waves of impending disaster.

People know that in the year 1826 or thereabouts a great thinker by the name of Malthus predicted that the world was headed for starvation because people were increasing faster than food; whereas now we are talking about marketing a surplus without loss to

the producers of our increased food supply.

I was having dinner that night with President and Mrs. Suzzalo of Washington University. President Suzzalo had worked up from a penniless Slav-Italian boy to where he is recognized as one of the wisest heads in the West. I threw questions at him with the polite rapidity of a rapid-fire gun.

"You have 8,000 students attending a university in a country where the primary need is for men to turn metals and logs and soil into cash. Will your white-collar boys and girls do it? Your masons and bricklayers and carpenters today are earning more than your doctors and lawyers and preachers; yes, in many cases, than the salary of your state governor. What are all these graduates going to do with their education to earn a living?

Civilization and Food

"I DON'T dispute the culture value—the enhancing of life with new senses of the artistic and the ethical—but as civilization rests primarily on a full stomach, how are they going to fill their stomachs."

The President thought a minute. He has that habit of getting his facts right, then letting the theory take care of itself.

"How are they going to earn their living? By taking the curse off labor. If the teacher and the preacher and the doctor and the lawyer are getting, we'll say, only from $1,000 to $2,500 a year, which is, we'll say, from $3 to $7 a day, and the mechanic is getting from $10 to $20, the cultured man is going to carry his trained mind into mechanics and 'take the curse off labor.' It will make culture universal instead of the privilege for the few."

"But will they take the trained mind into mechanics? With four centuries, more or less, of false ideals as to what constitutes an aristocracy of worth, will white collars and kid gloves take to brawn and blisters?"

"They'll have to. Necessity forces these things. The thing is to keep the culture speeding up abreast of mechanics."

That week I motored down to two of the greatest lumber mills in the world—one was the Weyerhauser; the other was the Long-Bell at the new city of Longview on the Columbia. Now I have known lumber mills more or less all my life—on the Ottawa, in Michigan, in Wisconsin in the days before water power was transformed into hydro-electric and stumpage into paper; and sawmill machinery has a fascination for me.

The lumber-mill machines are the most human monsters I know on earth. The chains and derricks haul up like matches logs that are giants. The machine barks them as a boy would whittle a switch. The great saws and levers toss them like chips and the planed boards or bridge timbers slip out like tape from a ticker. Another derrick and the boards and timbers are being swung aboard ships and rail cars; and over all is the freed fragrance of forest flowers and pine resin. Yet there were brains—trained, cultured brains and trained human hands behind the machine. Here was the waste of sawdust, shavings, scantlings being burned to generate enough electricity to light and heat a city, to cut the logs in the forest—logs of 20 to 30 feet in girth—to hoist those logs on flat cars, to run those cars to the water front or mill, then to run a mill which yearly turns out enough lumber for 40,000 houses of five or six rooms—and all with less physical drudgery than the shifting of gears on a motor car.

One of the most marvelous operations is the sawing of the big timbers to boards in lengths of from 2 to 50 feet by a man who operates a switchboard as easily as one would run a typewriter but demanding concentration to the nth degree, and good judgment to avoid waste, judgment much swifter and surer than an operator on Wall Street.

I happened to know that all the managers in those mills had learned their jobs by working from slab piles up, and that strikes were unknown largely because of the high wages and the fact that work is guaranteed for 300 out of 365 days a year.

But what I wanted to know was, how would the university graduate fare here? Would he do it; and if he would, could he make good? I had had enough experience on a 400-acre farm of my own to know that no matter how good the machine you give a man, if he is unskilled and careless, a fool and a monkey wrench can cost you more in breakage than the machine will save you in output and time.

"In the first place, we employ no unskilled men here" said the manager. "We can't afford them. We employ the last word in machinery to do the drudgery and increase the output; but we must always have the man with the trained mind to think for the machine. He must be master of the machine. He must be its brains.

Thinking for Machines

"HE MUST think as quickly as the machine acts; and he must have the good judgment to handle it to prevent waste in length, cut, thickness, character of the board, grain of the wood, discard knot holes, snip off slightly decayed or water-spoiled ends and that sort of thing. The first requirement of a good operative in the new electric mechanics is that he must have brains to think for the machines."

"Then good-by old bunk houses with straw beds and pork and beans. You'll have to supply college dormitories and modern hotels and hospitals—"

"Go out and see them," said the manager.

I did. I found the workers' inns clean,

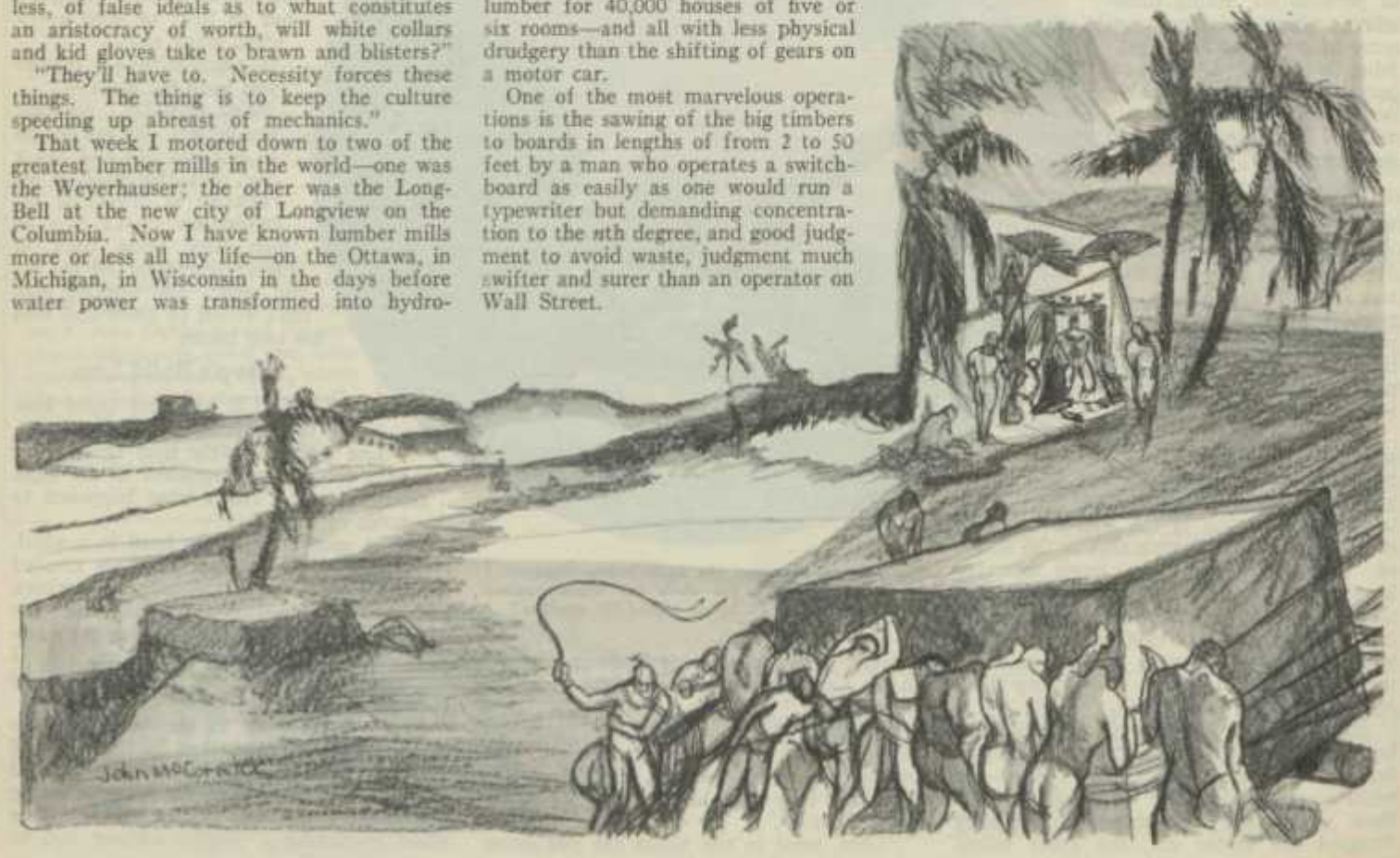
ARE we in the midst of a struggle between man and machine? Is man to be the slave to the machine, chained to it, forced to drive at top speed and to sell its products for fair means or foul that he may keep alive?

That's one pessimistic view.

"Not a bit of it," says Miss Laut, who's been in the Northwest, where machines are working wonders, not only in making goods, but in making men. The white-collar man, she thinks, will find his place as the brains that must guide the machine.

College-bred lumber-jacks? Why not?

—The Editor



modern, scientific as a hospital. In two great mill centers visited, there was a bathroom between each two bedrooms. There were libraries. There were pool and billiard rooms and swimming pools and tennis courts and radios and phonographs and dance halls and athletic departments.

I also found out where many of the women graduates are absorbed. I found them in the scientific kitchens—only they didn't call them "maids." They were "diet specialists." I found them in the libraries, in the hospitals, in the community houses acting ostensibly as entertainers but really as mentors. These conditions are more general than exceptional from the paper mills and lumber mills in the hinterlands of James Bay to the big timbers of Northern British Columbia and Washington and Oregon.

The last day I was in Longview was the end of the university year; and in that week came university graduates from as far south as Missouri, and as far north as Canada, seeking manual jobs; and seventy had been placed in one day. The minimum wage was $100 a month. The highest placed was a technical chap at $300—three times as much as our ancestors got for being university presidents, as high as the governors of some states get today.

The curse is being taken off labor, as President Suzzalo said; but doubt devils are hard to down. I kept asking myself when the skilled workman and the university trained mind are going to merge into one, what will become of the great unskilled army, the man or woman, who from birth or inheritance never can become skilled?

Consider a moment what the machine is doing to Take the Curse off Labor:

The self-binder drawn by a tractor will today cut forty acres in ten hours, or what formerly required the back-breaking work of forty men for sixteen hours a day, for ripe crops know no union hours and won't wait for tomorrow.

One ship today will carry on the Great Lakes 610,000 bushels of oats, or the crop of 10,000 acres all automatically handled.

One signal on a rail track today replaces the labor of seven, and though you may howl over the displaced seven men, also think of the lone lantern man in wintry blizzards at 40° below.

I saw on the Pacific, salmon brought in, which were cleaned, cut, cooked, canned, sealed and put on a vessel ready for shipment within one-half hour from the time the fish were tossed up from the nets, uncontaminated by a human hand after the first toss. I saw the same thing with strawberries after the first hand-picking and hulling. The ship was waiting to fill an order and the time record was kept. Its empty space was filled in half an hour.

Hose today both paints and cleans, replacing the hand brush and the broom.







Work on a grand scale has never staggered the imagination of man, even when the tools were primitive and the power furnished by human muscle. The age of the lash has changed into the age of the machine. Now it is the machine which is whipped into action, but man still engineers the operation

What of the Old Radical?

BUT WHAT about the old Radical, who said—"the machine we have created is devouring us?"

Is this machine devouring these men?

Or is it re-creating a new type of workman? Isn't it taking the curse off labor?

Just a hundred years ago—to be accurate on September 27, 1825, thousands upon thousands of people assembled to witness the first passenger train of twenty-one cars to be drawn by a snorting steam contraption hauled at the perilous pace of eight miles an hour. England rang with dire predictions of the danger to human and animal life.

"Why, Mr. Stephenson," a solemn commissioner had demanded of the inventor, "what would happen if a cow got on the track?"

"It would be uncommonly awkward for the coo," said Mr. Stephenson.

I Believe in Time Payments—Why?

By ALFRED P. SLOAN, JR.

President, General Motors Corporation

WE HAVE sold more than half a billion dollars worth of automobiles on the deferred payment plan. Seven years ago we began to finance these sales through our own Acceptance Corporation, and the volume of its transactions has grown from about ten million dollars in 1919 to nearly one hundred and fifty million dollars in 1925.

We have done business in every section of the country and with every type of citizen; we have operated in prosperous years and in years of severe deflation. All of this gives us a fund of experience which I am very glad to lay before the business community, for the instalment business represents such a tremendous new force in merchandising, it has such power for service and such grave possibilities for abuse, that every company ought to contribute whatever it can to the development of sound policies and practice.

System Antedates Automobile

IT GOES without saying that the credit merchandising principle did not originate with the automobile. It was applied extensively a generation ago in the sale of subscription books, and, while the publishers who first employed it had to make liberal allowance for losses, it was their experience that the books which people really wanted, and were reading during the period of their payments, were paid for; only those buyers who were sold under pressure failed to pay.

Later the piano business adopted the principle, and a large percentage of the musical instruments of the country, including phonographs, have been paid for by the month. So have sewing machines, vacuum cleaners, gas stoves; so also have hundreds of thousands of homes. The automobile industry is a comparatively late comer into the instalment field, but being now the largest single seller of manufactured products it has the largest outstanding debit.

Is this situation wholesome or is it a menace? Is the automobile, as has sometimes been alleged, monopolizing an undue share of the national resources? Is the habit of instalment purchase destroying the old-fashioned virtue of thrift? Are we riding for a fall in the next period of slow business? These are questions which the experience of General Motors can help to answer.

The General Motors Acceptance Corporation was organized in 1919 under the banking laws of the State of New York, a discount company to purchase notes of individual car buyers. Its practice has been to restrict the amount of its loan to not more than two-thirds of the time-selling price of the car purchased, and all notes carry the endorsement of the merchant or dealer making the sale.

The notes are payable in twelve equal monthly instalments. In some sections of the country competition has made it necessary to extend the payments to eighteen instead of twelve equal monthly instalments, and in some cases to accept less than one-third as down payment. In no case, however, do we go beyond eighteen months on motor car notes, and in all cases we are insisting that, while we will take less than one-third as down payment where the credit risk warrants it, the dealer's time sales should show an average of better than one-third down payment.

Under this plan the seven years' operations may thus be summarized:

Year	Total Volume of Retail Business Handled	Loss Ratio
1919	$9,989,018	.502 of 1%
1920	46,693,170	.918 of 1%
1921	39,725,007	.688 of 1%
1922	73,608,353	.112 of 1%
1923	102,049,475	.061 of 1%
1924	102,564,804	.097 of 1%
1925 to Nov. 30	134,620,627	.012 of 1%
Total	$509,250,454	

The experience of 1924 is practically completed, but the experience of 1925 is, of course, not yet complete, as all receivables have not yet matured and been collected. In the whole period, our total retail charge-offs equal .199 of one per cent of volume of retail business handled. On December 31, 1923, we had on our books $50,104 of accounts sixty days overdue, which equaled .104 of one per cent of our total retail receivables. On December 31, 1924, we had $67,246 of accounts sixty days overdue, which equaled .146 of one per cent of our total retail receivables. On November 30, 1925, we had $176,741 of accounts sixty days overdue, which equaled .207 of one per cent of our total receivables.

It is usually argued, and perhaps justly, that the real test of the instalment principle will come in a year of business reaction, when values shrink and unemployment is general. In this connection our record during the years 1920 and 1921 is particularly interesting, for these were years when all business slowed down and some very strong industries had to be taken over and reorganized.

Small Losses in Collections

WHAT happened to the instalment collections? The figures above show that our losses were somewhat increased, though they were still insignificant; but the figures do not tell the whole story. Fifty per cent of our losses in these two years occurred in three district offices.

Pioneering as we were in a new field, it was necessary for us to find and train men to fill the positions of branch managers, and in three branches the organization was not matured. The losses which took place in those offices could not occur again.

There are about a thousand small finance companies owned by people of limited means throughout the country, created for the purpose of financing automobile purchases. Last year some of these, in the competition for business, lowered the amount of the down payment and extended the time of the deferred payments over a period of twenty-



But for "time payments" how many of these workingmen's cars, waiting for the whistle, would appear in such they represent buying power for their present owners' product—be it breakfast food, linoleum, or washing

four to thirty months, requiring no endorsement from the dealer on paper. Such terms are obviously unsound.

The purchaser who pays only a few dollars down has no equity in the car after it has run a few miles, and is subject to strong temptation to default or ignore his obligation. This imposes on the finance company the task of repossessing and reselling the car, which puts it in the automobile business instead of the banking business.

Fortunately both manufacturers and bankers were quick to recognize the danger, and prompt measures were taken. The unsound practices were confined to a few districts and marked improvement has already been experienced.

An encouraging fact is that unsound practices in instalment selling tend to be self-remedying. For when the down payment is too low and the terms too "easy," credit verification is expensive, losses are high and repossession frequent, all of which means that the honest purchaser has to pay the bill in high financing charges.

Unsound Financing Passing

THE UNSOUND finance company is, therefore, unable to meet the rates of companies managed more conservatively, and tends to drop out of the picture.

Taking the country as a whole we feel complete confidence in the present situation and future development of instalment selling.

We believe there is an increasing recognition of the necessity for conservatism on the part of all concerned, and our previous experience with years of deflation does not make us apprehensive regarding such a possible period in the future.

There are three other points which it may be worth while to mention briefly here.

1. The average amount of the individual transaction which the finance corporation is called upon to handle is smaller than is usually supposed. People assume that the sale of an automobile involves something like a thousand dollars, but half of all the new cars sell for around five hundred dollars, and the millions of used cars are sold all the way from $25 up. The average individual obligation is not too great a burden for the ordinary family, even in a period of enforced economy.

Isolated cases will be found, of course, where a buyer has obligated himself beyond his ability to pay, and much publicity has been given to such cases. But taking it by and large, the American household has not lost its sense of proportion. It is utilizing its credit and taking a chance on the future, but the chance is carefully considered and is commensurate with its reasonable earning power.

2. The fear has been expressed that the automobile industry is monopolizing too large a proportion of the nation's financial resources. The criticism comes sometimes from economists but often from manufacturers of clothing, furniture and other so-called necessities, who feel that part of the prosperity of the automobile companies has been gained at their expense. It is undeniably true that the automobile has become the outdoor home of twenty million American families, and that outdoor life requires less dressing up, less "furnishings" and "trappings."

But the money which these twenty million families are putting into their cars, though it may come in part from some other items in the budget, does not come either through selling or mortgaging their homes nor out of the savings bank. Coincident with the prosperity of the automobile industry has come unprecedented increase in home building; life insurance has amounted to tremendous totals, and savings deposits have not alone doubled in the past seven years but today represent forty-nine and a half per cent of the total banking power of the country as against forty-nine per cent ten years ago.

How Are Payments Being Met?

HOW, THEN, are the payments being met? It is hard to escape the conclusion that they are being met largely through increased earning ability of the purchaser, which, in the last analysis, means that he is performing a greater amount of work than would be the case did he not have to meet the payment of a fixed obligation every month.

3. This brings us to the last point, which to my mind is most important. I believe that the instalment principle as applied to automobiles, far from being an economic menace, is a powerful incentive to increased production, and deserves a measurable degree of credit for our present prosperity.

Suppose, for the sake of contrast, that we consider China or Persia, where no facilities for capitalizing individual credit exist. In such a country one man may need a pair of shoes and another may be eager to supply them. Yet nothing happens. But as soon as you make it possible for the first man to say to the second, "Make me a pair of shoes and I will pay you out of my earnings," the whole situation is changed. The first man has the shoes, the shoemaker has the work, and another profitable industrial operation has been consummated.

The buyer will work more effectively because his feet are properly shod and harder because of the obligation to pay. The multiplication of such transactions and the extension of facilities which would make them possible in all fields of industry would go far toward transforming a so-called "backward" nation.

New Economics Are Involved

THERE are many discussions of political economy which are too technical for the ordinary business executives, and the economists themselves are enlarging their horizon so rapidly and revising their old-time doctrines in so many ways that the business man may properly be forgiven if he lags a bit behind. But is not this the corner-stone of *all* political economy—that the basis of national wealth is not things but people; that human life and energy are the sources from which all wealth flows?

That the power to use his credit has enormously stimulated the productive power of the average American can not possibly be denied.

I recently saw somewhere an article entitled, "We have learned to build in winter," which set forth the advantage accruing to us by reason of the all-year-around activity in the construction trades. Many influences have combined to make this possible, but surely one of them is the fact that workmen will now undergo discomforts and hardships in the building trades which were once regarded as prohibitory *because* they have a greater incentive to work.

They have set their families on a plane of living they will not willingly relinquish; they have pledged their labor for the realization of certain wholesome desires and ambitions, and they are cheerfully and efficiently fulfilling the pledge.



s picture? Considering these cars from another angle—in terms of wages of the shopmen who made them—machines. And mass production—steady production—plays its part in the community where these cars are built

Opportunity Comes to Getsital

Being a Veracious Chronicle of a Conference Between a Manufacturer and an Eminent Advisor of Merchandising Methods: A Monologue

By ARTHUR ROYCE MACDONALD

Secretary Lamport-MacDonald Co., Advertising Counsellors

Illustrations by E. E. Clarke

THE Perfect Merchandising Counsel sat back in the luxuriously upholstered chair on the nigh side of the Ideal Prospect's glass-topped walnut work-bench. A pair of searching optics focused themselves upon the poker face of the President of the Getsital Vacuum Cleaner Company.

"What we have done for others, we can do for you. Our close personal contact with Whackem Fly Swatters has fitted us for more than an advertising job. We know your field as though we had a speaking acquaintance with every housewife in it. There's your objective: The housewife . . . the home-maker . . . the mother . . .

" 'Mother o' Mine,—Mother o' Mine.'

"Can't you hear Longfellow or whoever it was wrote that appealing ballad singing it as he approached his little gray home in the west . . .

"Think of those little gray homes,—those big red brick homes, those stucco clad homes —the brown stone mansions. . . .

We Know What They're Doing

"WE KNOW 'em all—know their occupants,—what they read and when, what they eat and why—where they sleep and how!

"Knowital Home Libraries—one dollar delivers 'em; Builds-u-up Breakfastfood, Restem beds and Sleeptite mattresses!

"Why shouldn't we know 'em? Why shouldn't ours be the closely personal, intensively specific, economically sound service these international leaders have found it?

"Why shouldn't you be getting a greater dollars and cents return on your investment through service built to the manufacturing executive ideal?

"Those negatives aren't good salesmanship, Mr. Getsit—but I'm not a salesman. Rotary —you're a Rotarian, I see—Rotary says that he profits most who serves best. The Bible says everything comes to him who waits. Rotary's right. But you and I, Mr. Getsit, we can't wait. Salesmen or not, we've got to answer opportunity's knock with reasons why. We've got to do the go-getting or be got! Not good English, Mr. Getsit, but forceful! So's *'damn'* when you miss a short putt.

I Play a Bit of Golf Myself

"I SEE you play golf. Great game, golf. Play a bit myself at Kennelhurst. Charter member, for the good of the community and all that.

"Club's second president. Carry my sticks with me to oblige clients. Lots of business done on the golf course. Lot more because of it.

"Keep your eye on the ball! Play your shots! Never mind the objective. That's set for you.

"Apply that to business, Getsit! Mind on the job! Put everything you've got into each element of it. . . .

"Like an army, Getsit. I remember St. Meheil—French pronunciation is as though you spelled it San Meil. Simple, eh? Studied international markets in '17, '18 and '19. Know a lot of good merchants in France and England.

"I said merchants—No—I met a few of those, too! Charming people, those French! Great salesmen! Good prospects for vacuum sweepers—and bathtubs.

Cleanliness Next to Godliness

"WE HAD a bathtub account. There's an intimate subject for you. 'Cleanliness is next to Godliness!' We hammered that thought home for two years. Idea of one of our stenographers!

"Think of that, Getsit! Idea of a stenographer in our organization! It may be the file clerk who gives us the Big Idea on your account. It may be myself. With us everyone works for you. Not a one-man proposition. No, sir!

"Our scrubwomen use Removo on the floors. Started with them when their business didn't amount to a million. That was five years ago. They're now doing over a million. Think of it, A. B.—over a million in five years.

"But we couldn't have done it alone. Scrubbum, their president—great man, Scrubbum. . . . Like a brother to me. . . . Scrubbum has a vision. He knows advertising. He appreciates service.

"Get Scrubbum on the phone . . . my expense. . . .

"Let him tell you what we've done for Removo, the cleaner with a thousand and one uses!

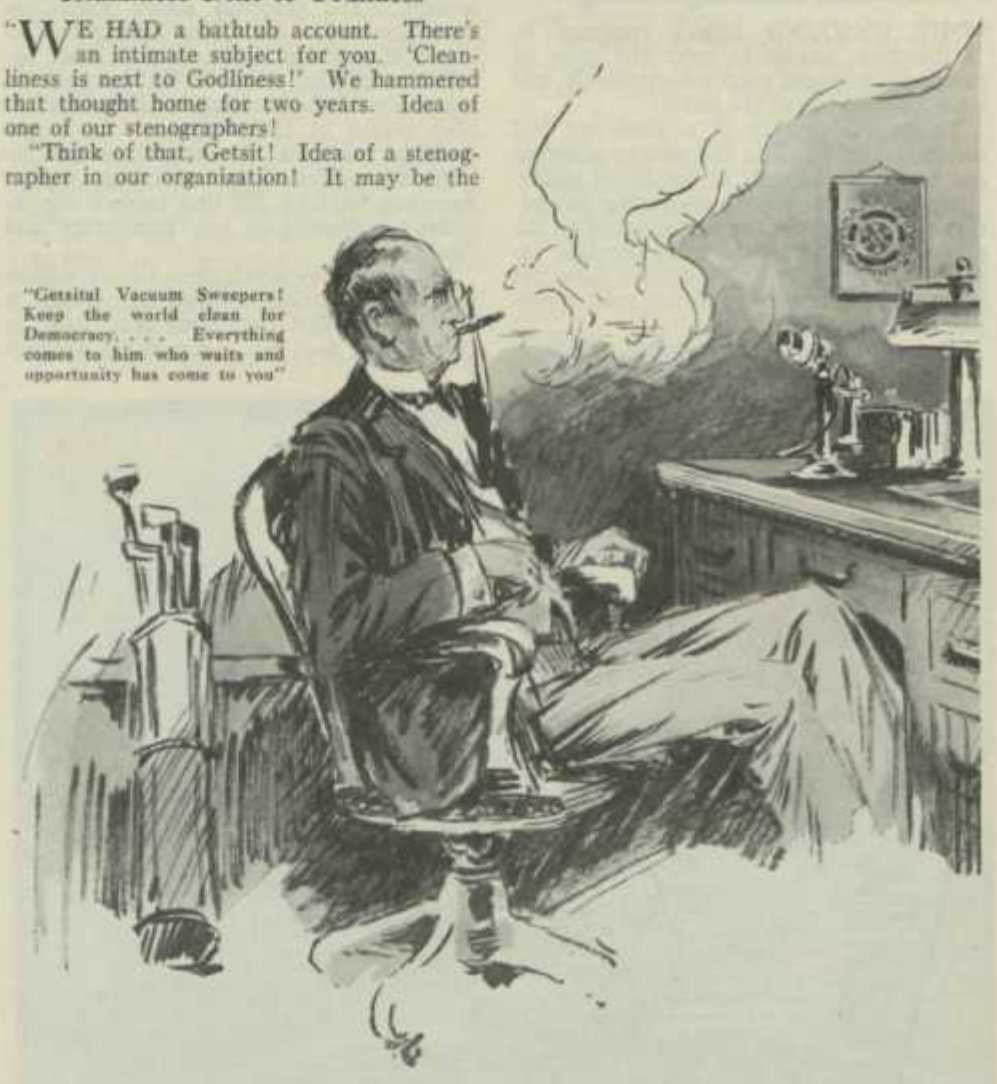
"Thousand and one uses! There are only a thousand, but that additional one is the clincher. That's an element of merchandising science. . . . odd numbers. Seven! Eleven! Odd numbers! Lucky numbers both of 'em! Contrast them with six or eight. No suggestion there.

"Take thirteen . . . unlucky number,—but odd.

"Twelve wouldn't have done for a hoodoo number! It's even. Get the idea, Getsit?

"But that's just another element in our complete merchandising service. You supply the product.

"We create the sales. All we need is the basic facts—the costs, exclusive selling fea-



"Getsital Vacuum Sweepers! Keep the world clean for Democracy. . . . Everything comes to him who waits and opportunity has come to you"

tures, sales personnel, number of branches, number of dealers, credit rating and your bank balance.

"All down here on this form. . . . Answer the questions and we're ready to go to work . . . ready to go out after immediate cash-register proof that you've a good buy and we a long and happy connection.

"When were you organized, A. B.? . . . Eighteen-seventy-nine? Fine! Half century of business background—sounds lots better than fifty years! Half century of serving



American womanhood's cleaning needs! What is your annual business? . . . six million dollars! Splendid! Make it seven in a year—eleven in three! Odd numbers, Getsit! Odd numbers. Practice what we preach.

"How many dealers have you? Six thousand! Make it seven in no time. Credit Triple A, too! We want only the best!

"You say yours are Class A dealers and that you have 87 per cent of the available? Fine, but what about that other thirteen per cent? Be a hundred percenter! . . .

"And how about their volume . . . do they meet the quotas set for them?

"They do. . . . Your quotas must be too low.

"Possibly it's your sales manager. We speed him up, speed up all his men! . . .

We Get Into Step or Get Out

"GET into step or get out! We expect to if we can't keep up the pace. We are on the lookout for breaks ourselves. What's sauce for the goose. . . .

"Didn't that fellow Shakespeare say the cleverest things! Got a fellow like him at the head of our copy staff. A real idea man. Runs in high gear all the time. At your service any time. Can write letters, speeches, odes, interviews—anything!—No obligations. Part of what we do for you. Just that last bit of service that helps. You get the credit—all of it. Strictly confidential. . . . By the way . . . here's what he's written for some of our other clients! . . . Great stuff, eh? We've put it in book form. That copy's yours. Dedicated, see? . . .

"What we have done for others, . . . and his initials. Right there under his picture. . . . Not a bad looking chap is he? Single, too. . . . Have him meet your daughter. . . .

"But back to the analysis. . . . How many salesmen have you? Fifty-eight? . . . should have fifty-nine. Odd number again. Salary or commission? *All Commission! Splendid!*

"That's how we work—on a commission. Magazines pay it. . . . As you grow, we grow. *Reward of merit from the magazines!*

"Do all your salesmen make money? . . . That! . . . Well, with us working together they'll make more money. . . . *More money!*

"How many new salesmen have you hired in the past five years? . . .

"Three! . . .

"Why? . . .

"Three died! Too bad!

"Death is no respecter of persons or organizations, either. Hope it wasn't in the height of your selling seasons.

"What is the salesman's average income? . . . Nine thousand! Should be ten. Easy!

"And now about your sales . . . eighteen-seventy-nine? Five hundred thousand. . . . Eighteen-eighty-nine? One million. . . . Nineteen-nine? . . . See, odd numbers,—practice what we preach. . . . Four Millions! . . . Nineteen . . . what? . . . and no war contracts! Well, there's the exception that proves the rule. And last year you did six millions . . . splendid. That gives us leg and arm room. . . . Take off our coats, roll up our sleeves and get busy! Make this business a success, that's what we will!

"Assets? . . .

"No! . . .

"Liabilities? . . .

"You don't mean it. . . . And you've got four millions in Liberty bonds and in the banks!

"Man, what are you in business for? Where's the incentive? This is terrible.

Give Away Two Millions, A.B.

"GIVE two millions to the Home for Decrepit Dervish Dancers! Build yourself an office building in the Battery. . . . Buy up the bill boards on America's Broadways. Get preferred positions in all street cars! Plaster color spreads in every A. B. C. magazine available. Flood the mails with broadsides. Stage a round-the-world sales contest. . . . *Dominate America!*

"Man, you've got a job to do. We can do it together. I at your right hand, backed by the entire personnel of the Ideal Agency, Incorporated, A.A.A., A.B.C., P.P.B., B.X., and C.O.D.

"Lets see . . . four millions in bonds and the bank. . . . there is an answer to that, too, A. B. There's always an answer. It's our job to find answers. Four millions. . . .

"Sell the bonds. Increase your capital stock. Sell preferred. Ten shares and one of common for a thousand dollars. Odd numbers again! Lots of ciphers in the purchase figure. *Psychology there!* Looks like you get it for almost nothing.

"Re-incorporate. Become chairman of the board. I'll serve as president and take the load off your mind.

"Getsital Vacuum Sweepers! Keep the world clean for democracy! Gad, Man! A real opportunity after fifty years! Success is right around the corner.

"Everything comes to him who waits and opportunity has come to you!"

. . . And so on, far into the night, and in a hundred offices, while the National Distribution Conference at Washington discusses the wastes of marketing.

What Are the Stockholder's Rights?

A Summing Up of the Points Made by Professor Ripley and Some Views of the Banking and Business World Thereon

By F. S. TISDALE

Cartoons by C. H. Forbell

PROF. WILLIAM Z. RIPLEY, the Harvard economist, came down to New York some time ago and made a speech before the American Academy of Political Science. In this speech and in subsequent magazine articles Professor Ripley started a controversy which has raged furiously in Wall Street ever since and which is gradually attracting the attention of the entire country.

Professor Ripley boldly criticized what he calls the growing tendency of separating ownership and control in stock companies. One practice is for the organizers or reorganizers to sell to the public a class of stock which has no voting power, while retaining control by keeping to themselves another class of stock in which all voting power is vested. Another tendency is that of piling up holding companies and consolidations until the affairs of many small corporations are controlled by a large corporation in a far distant state.



The effect of the Ripley attack has not been confined to argument. The question was taken up by the Governors of the New York Stock Exchange who contented themselves with the cautious announcement that "in the future the committee in considering applications for the listing of securities will give careful thought to the matter of voting control." Also it is known that President Coolidge and the Department of Justice are looking into the matter to see whether anything ought to be, or can be, done.

What Professor Ripley Says

IN DISCUSSING non-voting stock Professor Ripley says:

The recent "Dodge Brothers, Inc.," is typical. A banking house buys up a private business for, it has been said, $146,000,000 or thereabouts. This sum and *more, too, they recover*—if the plan works out—by the sale to the public, for $160,000,000, of bonds and preferred stock at par and 1,500,000 *non-voting* shares of Class A common stock. But not a single one of the 500,000 Class B voting (no par) common shares are thus sold. The promoters have virtually paid themselves a handsome profit for the assumption of the entire directorial power.

Sometimes a minority of the voting stock is sold. Other corporations and other methods of control are mentioned by Professor Ripley:

Perhaps the boldest case is of an artificial silk concern, the Industrial Rayon Corporation, with 598,000 shares of non-voting Class A stock distributed to the public, with the reservation of the remaining 2,000 out of 600,000 shares, as Class B stock, carrying exclusive voting rights. Or . . . a well-known root-beer enterprise with 180,000 shares of Class A and Class B common shares with the concentration of control in 3,872 "Management Shares." Or . . . a well-known theater enterprise, said to have over $20,000,000 in assets. There will be 4,000,000 shares — 3,900,000 Class A shares to be sold to you and me, and 100,000 Class B shares in which will be vested exclusive control through voting rights. Furthermore, the Class A and Class B stock will divide the net earnings 50-50.

Utilities Tend to Combine

THERE has been great activity lately in consolidations of public-utility companies. These companies naturally receive Professor Ripley's attention and are cited as examples of an "amazing tangle" which is made of the theory that ownership and management of a property should be linked and held responsible for its conduct. He says that the present status of the local operating companies is reassuring since they are looked after by regulatory commissions in the different states; his concern is in the future of the holding companies "superimposed one upon another."

Take the Pine Bluff, Ark., local operating concern. This is controlled by the Arkansas Light and Power Company, which is part of the Southern Light and Power Company of Delaware, also controlling the Mississippi Power and Light Company, the Louisiana Power Company, and the Louisiana Power and Light Company. And the whole congeries of them has been in turn acquired by the Southern Power and Light Company, this time incorporated in Maryland, which seems to be part of the Electric Bond and Share Company of New York.

Professor Ripley points out that there has been an enormous increase in the number of security holders since the buying of Liberty Bonds created a popular appetite. The public is buying into every form of corporation from home-made pies to mail-order stores. Also corporations are selling their shares to employes. It is admitted that, as a usual thing, stockholders do not exercise their voting right. Professor Ripley asks what about the unrest that will be created when unfavorable conditions cut down dividends and the holders of non-voting stock discover what they didn't trouble to find out before, that they have no voice in management.

Admitting that the right to vote was seldom used by the public, "the fact remains that the power . . . was there; and every once in a blue moon some resolute individual or stockholder could rise in his place and organize a protective committee or dissenting group—and if nothing else happened, at least there was a thorough ven-



tilation of what proved to be a musty or unsafe tenement."

Professor Ripley admits the beneficent uses of the holding company. "Piling of one company corporation upon another simplifies finance and management, augmenting credit and enabling large-scale operations and the employment of higher-paid technicians. But it is also true that a large part of this complexity is the result of a deliberate intent to assume and concentrate power in the hands of an inner circle." He cites opposing cases.

In discussing what ought to be done about it, Professor Ripley asks, "Why not give the bondholder voting rights?" Cumulative voting is "another pulmotor for the possible resuscitation of the moribund stockholder;" to illustrate he cites a clause of the Rock Island Railway charter which permits each stockholder to vote "for as many persons as there are directors to be elected, or to cumulate such shares and give to one candidate as many votes as the number of directors, multiplied by the number of his shares of stock, shall equal, or distribute them on the same principle among as many candidates as he shall think fit."

Thinks Boycotting May Help

THE BOYCOTTING by investors of securities without voting rights might give "immediate results." Also:

> No other safeguard against misuse of power by insiders is so likely to be effective as publicity. Nothing kills bacteria like sunlight. A frank sharing of all proper information with the main body of the shareholders is basically right.

In the case of superstate public-utility companies Professor Ripley arrives with apparent reluctance at the conclusion that "if anything needs doing, there is but one agency to which to turn—exercise of the federal power." He thinks they might be placed under the Interstate Commerce Commission or under "an amplified Power Commission, similar to the one in the Department of the Interior which at present concerns itself with the licensing of water-power companies." Professor Ripley adds:

> I would not conclude with the advocacy of any particular plan. The first duty is to face the fact that there is something the matter. For a remedy I am groping as yet, like a child in the dark. . . . The house is not falling down—no fear of that! But there are queer little noises about, as of rats in the wall.

There is no doubt as to the importance of the subject. The tendencies have long been noted in financial circles, but it remained for Professor Ripley to point them out in a way that captured the popular attention. President Coolidge is a fairly busy man, and he does not indulge in useless conversations. Therefore, when he invited Professor Ripley down to Washington to tell him about this non-voting-stock business, it was safe to assume that the question was considered one of national concern.

Ripley Wants Regulation

THE ECONOMIST'S views are plainly stated. He thinks that "something ought to be done," and he thinks that the Federal Government is the one to do it. If his advice is followed by the Administration, you may look for one more invasion of business by government.

We have become a nation of security holders. It is said that there are 15,000,000 people in the United States who own stocks—that is, one person out of every seven inhabitants. Twenty-five years ago there were only 4,400,000 stockholders. Of course the war had much to do with it. Before that conflict you had to appeal to the average man's gambling instinct to sell him stock. Thus oily individuals went up and down the land telling how rich John D. Rockefeller and Henry Ford were, and using those mighty names to peddle shares that were devoid of conscience. If you bought them, you *might* get rich.

Liberty Bonds taught the average citizen the pleasures of owning securities and of shearing coupons. Many people ceased to look upon stocks as something like lottery tickets; it is true that the oily tongued gentlemen still go up and down the land speaking glibly of John D. Rockefeller and Henry Ford and unloading shameless paper by the billion, but it is just as true that more and more people have come to look upon stocks as investments.

Last year broke all records. American stock issues amounted to $1,310,000,000, which was an increase of more than 200 per cent in fifteen years. When you read such staggering statistics, you can realize why President Coolidge considers the question of stock control worth his attention.

No one has come forward to claim the invention of non-voting stocks. It is said that the first use made of such an issue was by the Bethlehem Steel Company during the war. In 1917 there was a division of stock into Class A and Class B. Class B was issued to the public and had no voting power. It was declared that the device was used to prevent Germans buying a voice in the company's control, thereby embarrassing Great Britain in the deadly matter of munition supplies. The Goodyear Tire and Rubber reorganization in 1921 first brought Dillon, Read & Company into prominence in this connection. It was these bankers who executed the Dodge Motor transaction—a transaction whose magnitude singles it out for special attention.

Dillon, Read & Company Replies

HERE IS the answer Dillon, Read & Company makes to Professor Ripley through the pages of a recent publication:

> The problem of transferring to a great number of stockholders an enterprise demanding the highest type of management ability without the effective control of the management being lost in the process is pressing for solution these days. Investment bankers have endeavored to find a solution by retaining control over the management through a Class B common stock, which alone has voting power, or through a modification of such a principle.
>
> This plan has been criticized by a noted economist and writer on financial subjects, Professor Ripley of Harvard University, but it is worthy of note that he has as yet proposed, so far as the writer knows, no plan to take its place. He well understands what little control scattered owners have over management, but seems to prefer this to control by others than the vast majority of stockholders—a control that is practically nonexistent.
>
> He suggests that investors boycott such offerings of securities; but instead the investing public rolls in enormous oversubscriptions, whenever the offerings are in other respects to its liking. This indicates that investors care little for the responsibility of making an enterprise show profits and are concerned only that there shall be profits under the management and control of competent men of business.

Everybody in Wall Street, from the biggest bank presidents down to the sootiest messenger boys, will discuss the Ripley controversy. But so touchy is the subject that the men of large affairs are reluctant to be quoted. There are plenty who defend the practice of issuing non-voting stock. Here is a summary of their comment:



"Yes, the term 'democracy in industry' sounds fine. But like so many fine-sounding terms it will not stand literal practice. What would happen in an army if every soldier were to influence tactics and strategy. Now,

take an instance: The stockholders of the American Telephone and Telegraph Company number 362,179. Suppose everyone of those 362,179 persons should attend the annual meeting and 'assist' in the election of officers. It is, of course, an impossibility.

"Stockholders do not, as a rule, make any use of their voting right. It can be argued that a right worth having will be defended. Certainly the public has bought these non-voting shares. What the holder of shares is really interested in is the regularity and size of his dividends. If he has bought for investment, he cares very little who runs the concern as long as efficiency is attested by dividend checks.

Making a Profit of $14,000,000

"ACCORDING to the figures, Dillon, Read and their associates stand to make a profit of $14,000,000 out of the Dodge transaction. Out of that must come expenses, which in a deal of this size are considerable. Suppose that profit was all Dillion, Read & Company's; do you think it would be worth $14,000,000 to let the investors lose? The bankers are in the business of selling securities to the public. If Dodge stock declines and the investors lose money, it will be remembered when Dillon and Read float another issue. The loss in confidence and actual dollars would be more in the long run than their profit on the Dodge transaction. By retaining control through non-voting stock the bankers are insuring a free hand in the running of the company. They have a very grave responsibility for its success, and they naturally want unhampered management."

The holding companies which Professor Ripley attacks also have their champions. They amplify the virtues he admits for them. Here is how they look at it:

"The holding company in the utility field is an example of an adage that you will find stamped on our coins, 'One out of many'; in other words that unity is strength. Take an electric-power holding-company which unites a number of concerns in scattered districts. The small concerns may show diverse fortunes; sprinkling of red figures among the black caused by seasonal slumps in demand for power, strikes, etc. Yet these slumps will not appear to each of these concerns at the same time. The strong one will help the weak, and the record of the holding company will be one of uninterrupted dividends.

Stock Made More Acceptable

"INVESTORS will buy the securities of the holding company where they would not buy those of the separate small concerns. The arrangement insures cheap and constant capital for improvements and extensions. Improvements are passed along to the power user in lower rates; every one has profited and no one, as far as it can be determined, has been injured.

"Consider these more tangible advantages: The holding company can combine the buying for the smaller companies and obtain better prices.

"By the same principle the holding company can retain high-priced engineers whose fees would be an impossible luxury for the individual smaller companies.

Economy In Pooling of Power

"ANOTHER great economy is the pooling of power through interconnection of lines, a plan which enables plants under heavy demand to draw from distant plants which are producing more current than is being used.

"Professor Ripley makes a great point of control over these holding companies. It is true that their interstate character complicates jurisdiction over the holding companies; nevertheless the plants themselves, the companies which are furnishing current to the consumers, are under the state public-service commissions which see that the consumer gets a fair deal.

"These commissions apply their power where it is most needed—they protect against overcharges and inadequate service the man who buys power to light his home or run his factory."

Meanwhile the controversy continues to rage. One thing, at least, is certain: An intelligent discussion will air out the question and help clear away the misunderstandings which aggravate most of our business questions.

The Passing of Pork and Pie

By JAMES L. WRIGHT

Of the Washington Staff of the Cleveland "Plain Dealer"

ANTIQUES FOR SALE—One old-fashioned pork barrel, several hoops and a couple of staves missing. One badly marred and cut pie counter, which has seen years of hard service in the National Capitol.—UNCLE SAM.

THE FOREGOING advertisement will never actually appear any place but in NATION'S BUSINESS, but it tells the story of a radical change in governmental conditions in the United States, one that has stripped the old patronage congressman of his annual supply of "pork" for the home consumption of his constituents.

Not so long ago there was an old-fashioned "pork barrel" each year in the form of an item-by-item appropriation bill of $40,000,000 or $50,000,000 for rivers and harbors, and about as much more for the building of post-office buildings in hamlets and towns as well as cities.

"Pie" and Votes

THE Government "pie counter" furnished food for a lot of the loyal ones back home, and votes for the congressman when he needed them. Appointments to federal jobs from clerkships in the federal departments in Washington to postmasterships throughout the country were made on the recommendations of the representatives and senators.

Lump sum appropriations for federal improvements have knocked in the head of the barrel and caused the hoops to fall off, while the extension of the jurisdiction of the United States Civil Service Commission even to postmasterships has made the "pie counter" an all but obsolete article.

Under the new order of things, the money appropriated for rivers and harbors is spent where it will do the most good from a national standpoint, instead of by a geographical spread to give each senator and representative a chance to make a show back home regardless of whether the creeks and rivers in his state or district ever can be made navigable from a commercial standpoint. To the United States Army Engineer Corps, under Secretary of War Dwight F. Davis, is entrusted the work of deciding on the improvements to be made and spending the money. Not since March 2, 1919, has there been an old-fashioned rivers and harbors bill.

Acute Needs

LUMP sum appropriations for construction of federal court buildings and post offices, where there are acute needs, are the only kind that stand any show now. No longer are they erected in villages where the janitor's wages in many cases was three or four times the total rental of the old post office.

What the old system meant is shown by the accompanying table, compiled by Supervising Architect James A. Wetmore. It is based on the last "pork-barrel" bill, passed thirteen years ago. The buildings have actually been built, and the operating force referred to is in reality the janitor's salary. In the case of Bardstown, Ky., the janitor's pay alone is more than four times the total rental of the old post office.

Building situation	*Pop. 1920*	*Cost of building and site*	*Initial vault and safe*	*Furniture*	*Operating force*	*Operating supplies for 1916*	*Total*	*P. O. rent for 1913*
Abilene, Kans.	4,895	$73,500	$858.91	$1,809.00	$1,260.00	$760.70	$4,688.61	$1,380
Albany, Ore.	4,840	70,500	1,190.88	2,909.75	1,260.00	400.81	5,761.44	1,300
Bardstown, Ky.	1,717	60,500	294.55	1,427.91	1,260.00	593.36	4,075.82	300
Bedford, Va.	3,243	52,500	786.37	2,055.86	1,260.00	687.74	4,789.97	600
Canton, Miss.	3,252	48,000	746.75	1,377.87	960.00	518.61	3,603.23	600
Duquoin, Ill.	7,285	64,000	861.65	1,751.07	960.00	468.67	4,041.39	960
Ft. Madison, Ia.	12,066	75,000	1,007.00	1,444.40	1,260.00	463.68	4,175.08	800
Grass Valley, Cal.	4,006	62,500	847.68	1,731.90	960.00	406.82	3,966.40	720
Hopkinsville, Ky.	9,696	87,000	1,027.22	1,873.78	1,260.00	687.05	4,808.05	600
Menomonee, Wis.	5,104	57,000	817.91	1,851.93	1,260.00	792.79	4,722.63	1,200
Perry, Ia.	5,642	59,500	829.17	1,753.50	960.00	599.31	4,141.98	840
Pulaski, Tenn.	2,780	53,000	787.67	1,508.70	960.00	795.93	4,142.30	600
Salem, Ohio	10,305	83,000	896.70	2,139.79	1,260.00	768.36	4,064.85	1,000
Sistersville, W. Va.	3,238	76,000	846.25	1,540.53	1,260.00	315.74	3,962.52	900
Thomasville, Ga.	8,196	67,000	973.35	2,252.64	1,260.00	597.00	5,082.99	1,000

tal rental paid for the old post office. For thirteen years the "pork-barrel" advocates have fought unsuccessfully for a post office bill of the old type, but not since William Howard Taft signed one of that character on March 2, 1913, just as he was leaving the White House, has one been enacted.

Three successive presidents, Woodrow Wilson, Warren G. Harding and Calvin Coolidge, stood so firmly against a "pork-barrel" public-buildings bill that Congress knew that it would be useless to pass one, and by February 16, 1926, the House had been weaned away from the old idea to such an extent that more than two-thirds of the members present voted to suspend the rules and pass a five-year building program of the new kind, authorizing total expenditures of $165,000,000.

For the Old System

"I HAVE seen" said Representative Richard N. Elliott of Indiana, present chairman of the House Public Buildings and Grounds Committee, "two chairmen of that committee come and go, who were committed, boots, body and breeches, to the old pork-barrel system, and yet during all of that time they have not been able to get one bill enacted into law. It is either this bill, or an old-fashioned bill of $250,000,000 if you put enough pork in it to pass it, or nothing at all."

After that speech, the House proceeded to pass the measure and passed it.

The same principle is involved in lump sum appropriations for public buildings. It is to be allocated to the places where it will do the most good from a national standpoint, and spent scientifically instead of on the basis of giving each senator and representative his share.

Instead of the army engineers handling the money as in the case of rivers and harbors improvements, the money for public buildings will be spent by the supervising architect under Secretary Mellon, and by Postmaster General New. Post office congestion in the large cities is great, and they will receive first consideration.

In much the same way that pork, in the form of rivers-and-harbors appropriations and public buildings, has been taken away from congressmen, so his political patronage or pie has been withdrawn. The Civil Service Commission now dictates appointments on the basis of merit that used to go to congressmen as political plums.

This is particularly true of postmastership appointments, but it is being extended to the bureau of internal revenue, the prohibition unit, and the other federal agencies. It is true that after the late President Wilson placed all postmasters under civil service through a blanket order, and announced that all future vacancies would be filled by examination, the man standing highest on the list to be appointed, his Republican successor modified the order to permit the appointment of any one of the three highest eligibles.

That was declared by the Democrats to be a step backward, but the Republicans argued that in all other civil service examinations the three highest eligibles are certified, and that in the case of the postmasters, Mr. Wilson waited until nearly all the offices had been filled with Democrats before he covered them under civil service in a blanket order.

CONGRESS always gets criticism when it needs it, and seldom gets credit when it deserves it.

Take public expenditures, for example—

If Congress were not in sympathy with the Federal economy program we would discover that the budget system at Washington would "budge" alarmingly.

Perfection, to be sure, has not been attained, but the last decade has witnessed a remarkable improvement, as Mr. Wright graphically points out in this article.

The "pork barrel" has been relegated to the attic, and expenditures for improvements are more generally predicated on the requirements of national service than formerly when they were largely determined by political expediency.

—The Editor

Efficiency the Present Test

WITHIN the last few weeks Postmaster General Harry S. New has notified members of Congress that it is the policy of the department to reappoint postmasters, whose terms expire, when they have shown themselves efficient.

"It is the general policy of the Administration," Mr. New has written to the Republican senators and representatives, who under the old order would be permitted practically to name any constituent they wanted as postmaster, "to reappoint postmasters having satisfactory records in the absence of conditions not shown by the official records, which would make such action inadvisable."

Ridicule, logic, filibusters, and at times "strong-arm" methods were used to smash the old pork barrel and the pie counter.

To Senator William S. Kenyon of Iowa, now a United States circuit judge, and Senator Theodore E. Burton of Ohio, now a member of the House of Representatives, more than to any other two men, goes the credit for breaking up the old system of legislating for rivers and harbors improvements on the basis of "taking care of" each member. They showed the absurdity of appropriating money to make "navigable," for the development of commerce, streams having so little water in them that in dry weather they would scarcely float a canoe.

When Senator Morris Sheppard of Texas, fought for big appropriations to improve Trinity River in his state, suggestions ranging from "paving the river" as a highway to digging artesian wells at his head to supply water were made. A river in Florida was referred to by Senator Kenyon as the "dusty Oklawaha."

"There are two amazing things that have happened in this country within the last few years," said Senator Kenyon. "One of them was the discovery of the North Pole by Dr. Cook, and the other the discovery of water in Trinity River by the Senator from Texas."

"Is the Senator as sure of the discovery of the North Pole by Dr. Cook as he is of the discovery of the Trinity River by myself?" asked Senator Sheppard.

The Same Likelihood

"I THINK there is just the same likelihood," replied the Iowan.

On one occasion Senator Burton spoke for twelve days, and advocates of the pork-barrel bill then pending tried in every possible way to take him off his feet. The ordeal of talking day and night caused Senator Burton to send for a house jacket and some light slippers, so that when one of his friends made a point of "no quorum" he might slip back to one of the couches in the cloak room and get a few minutes rest. This gave rise to the story he was wearing carpet slippers and a bath robe in the Senate.

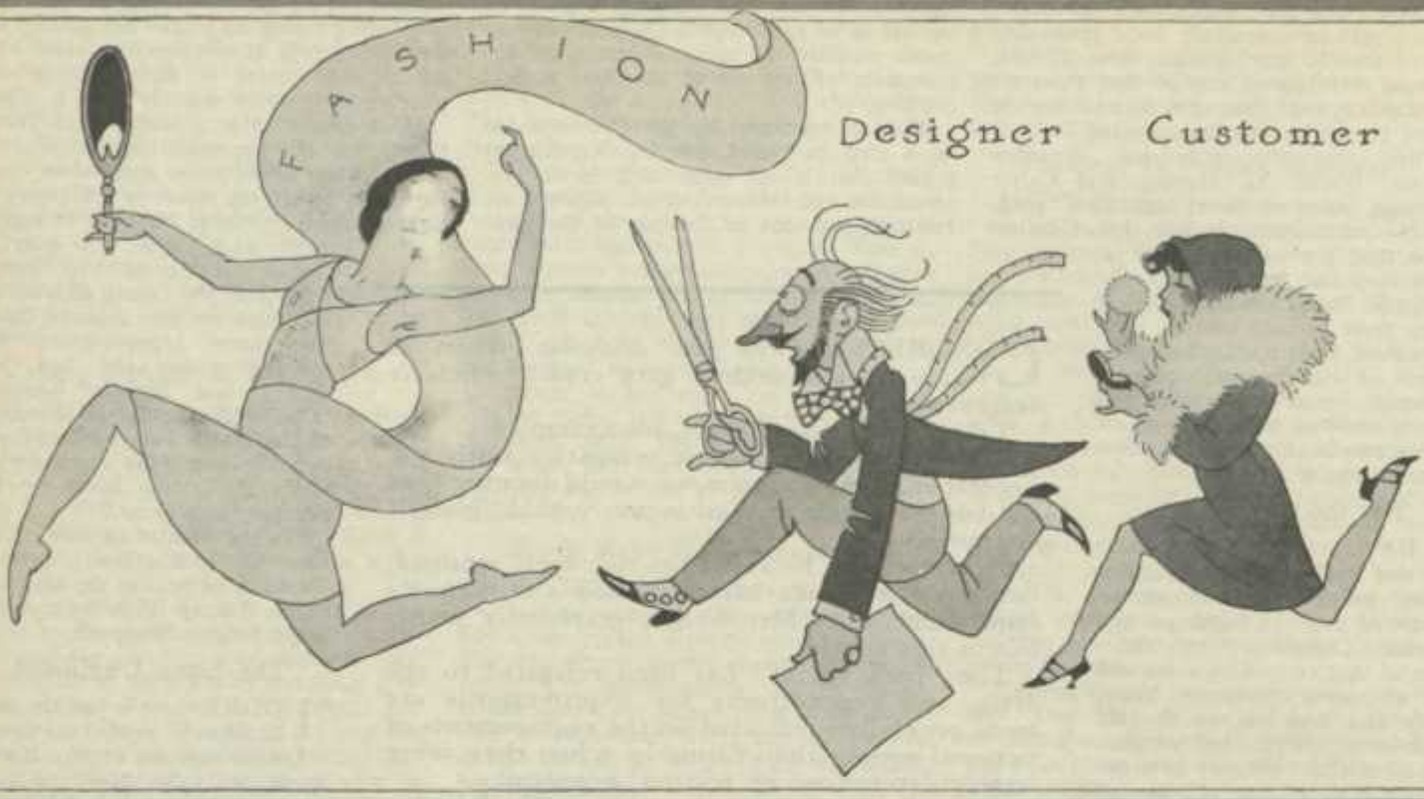
After he had been speaking nearly all night an attaché brought to his desk on the floor two raw eggs in a glass for his breakfast, and Senator Reed Smoot of Utah called out in a stage whisper that could be heard in the galleries:

"Quit egging him on."

As a result of that filibuster, the advocates of an item-by-item rivers-and-harbors bill, totaling $38,000,000 had to agree to a lump sum appropriation of $20,000,000, and from then on, with few exceptions, Congress has appropriated fixed amounts for the country as a whole. The World War resulted in establishing lump sum appropriations for rivers and harbors as a definite policy.

The elimination of item-by-item appropriation bills, which fostered log rolling under which one congressman agreed to stand for appropriations for the other man's district in order that he might get federal money for his own, and the adoption of the budget are all steps towards putting government affairs on a real business foundation.





Trade Ethics and Style Stealing

By IRVING S. PAULL

Cartoon by Charles Dunn

IF THE Prince of Wales becomes engaged to be married, is that front-page news, or should it go into the business section of your daily paper?

The answer is that it starts on the first page but may very soon reach the business section, and perhaps lengthen that distressing column of "Bankruptcies Filed."

Assume that the Princess, contrary to tradition, flies across the Channel, arriving in Paris in a striking costume. A fashion designer adapts the suggestion of flying to his newest creations. It "takes." Word comes to us that designers abroad are giving a new turn to lines, fabrics and colors.

Costumes, millinery, shoes, hand bags, are influenced by the fact that the new Princess journeyed by aeroplane. Business here had no advance notice that this incident would occur, nor that it would engage the fancy of a fashion designer. We had planned an entirely different scheme of colors, fabrics, lines and textures.

"King Tut's" Rule of Style

IT APPEALS to the fancy of women over the whole world of fashion, and presently becomes the mode of the moment. How about the garments in the hands of retailers and those in the making? How about the weavers and the dyers? The value of the goods they have on hand is depreciating so rapidly that the effort of a season may prove a loss.

This is an entirely imaginative episode, but the effect of a discovery by an Egyptologist created new demands and depreciated goods in the making. We had the "King Tut" period, which presently gave way to another enthusiasm.

In satisfying the style demand the speculative element is everlastingly and constantly present. When that is momentarily satisfied in the style centers, a national demand must be satisfied. Volume of production and wide distribution are necessary to satisfy the call.

Fads Create Popular Demand

THE RADIO and fashion magazines, daily papers and monthlies have carried the news into every home in the country. What was recently a novelty is seen everywhere. It has ceased to be a novelty. Therefore it has lost its attraction and another novelty takes the stage.

While fabric weavers, garment makers, shoe manufacturers, milliners, jewelers, even furniture makers and decorators are actively endeavoring to catch up with demand, the desire of the public is weakening. Suddenly the demand is dead. Goods once desired as rare are now despised as common.

This situation has been hastened by the number of people engaged in the production of the "popular" goods. Almost before the new things are on the market, a great many manufacturers have duplicated them in less expensive materials, and modified them for mass production. The effort to make them available to the greatest possible number of buyers, of course, "cheapens" the output of the industry and shortens the period of acceptability.

There is speculation not merely in making styles but in getting them on the market before they have lost their attraction because of cheapened duplicates. This situation is in part because industries have greater capacities than are required for the satisfaction of normal demand, even greater than is required for maximum demand. Many more concerns are engaged in the industries than can find steady support.

The competitive situation is beyond ethical control. Institutions, possessing neither creative ability nor an appreciation of excellence, feel no restraining impulse of decency to prevent them from destroying the value of another's product. Their existence depends upon adapting another's idea to an opportunity of a moment.

Risk in Piracy Too Great

IT WAS the speculative risk from piracy that finally cleared the seas of those who at least labeled their activities by a black flag. Maritime ethics will not tolerate such adventures, not even under the guise of maintaining an equality of opportunity.

There is no basis of measuring the cost of "style piracy" and of "theft by imitation." These are speculative elements from which a number of industries suffer. The cost is not confined to the producers, but must be shared by the distributors of merchandise and the consumers who ultimately pay for their support.

We, at present, see no way of changing an uneconomic, unethical, and obviously wasteful situation, because we are committed to the principle of safeguarding an equality of opportunity to every individual. In maintaining this principle we have on occasion



established the right of some individuals to "despoil," without protecting the right of another individual to ethical success.

There is a considerable pyramiding of credit when one small, undercapitalized institution must by some means secure sufficient business to keep going and in doing so extends credit to another of similar weakness, which in turn sells to still another no stronger than itself. Expediency, rather than ethics, is the compelling motive.

An Equality of Opportunity

IF, BY chance, one of the group sees expediency in failure, the honesty of the rest of the group does not save them. Whether these men possess the qualifications of success, or not, they are, under our principle of equality of opportunity, entitled to engage in business if they can secure credit. If they fail they lose the money of some one other than themselves. That loss must ultimately be charged into the cost of doing business by some concern which continues.

The fact that it continues might be taken as an indication that it could absorb the loss into its operating costs and prorate the loss among the consumers of its product.

Our philosophy of business is "trial by failure." We do not assure to individuals an equality of right to succeed. If we did, we should make available to them the facts about the industries in which they propose to engage and give greater consideration to their qualifications for success in the particular field they desire to enter.

We should more frequently protect them against the individual, who, because of the necessity of securing business, urges them into an unprofitable and unpromising field, for which they are neither qualified, nor capitalized.

The statistics of single industries show how greatly they are overmanned and overequipped. The statistics of communities show the effect of this situation. Analysis of a community, dependent upon a single industry, shows that of 140 establishments in 1920, 52 had failed by July, 1925; 47 had moved away in the hope of bettering their situation, and of those remaining only 6 were operating profitably.

Including those which were operating at a profit, the industry of that community as a whole had not produced sufficient volume to pay its operating cost during a five-year period. Notwithstanding that situation, there are now more than 175 plants in that community. About 125 of them are undercapitalized and many of them are operated by men who have little real qualification for conducting business in the field in which they are engaged. Their existence depends largely upon their ability to secure an order to support operation for a week, or two, and by the time that is produced, have another order.

Style Stealing Prevalent

NOT A few of them operate on the production of goods in imitation of designs produced by concerns which have spent time and money developing an article of particular merit.

Economic progress is shown in the acceptance of increasing variety of useful, or comfortable products, but there is no economy, or possible advantage in a great increase of variety by imitation. The imitator's effort is to participate in the prosperity created by someone of greater capability than himself. It is seldom that he retains the excellence of the original. Though he reduces the price to the consumer he frequently gives much less value for the amount charged, than is provided by the original at the higher price.

The intrusion of the imitator is a speculative element that can seldom be foretold, or provided for. He has no interest in the welfare of the industry of which he is part, nor has he any feeling of responsibility to the consumers of his product. His intention is to withdraw as soon as the salability of a product has declined, only to adopt and adapt the creation or another producer who has developed something new. His selling methods are as unethical as are his manufacturing policies.

In several industries, a man may with a little borrowed capital equip a small plant and with a bank credit equal to three or four weeks' payroll establish himself in business. By cheapening an imitation of desirable goods, he can usually secure enough quick business to keep his credit turning. He has little difficulty in getting the small amount of materials required and sometimes he secures more than a small amount on very favorable terms, "To encourage a new account."

The manufacturer who invests capital and furnishes employment to a large number of people cannot evade responsibility for his product. In fact his desire is to emphasize his responsibility and reliability, but he must speculate upon the effect of irresponsible competition. There is nothing transient about his policies and the fact that he is a permanent member of his industrial group places upon him a large degree of responsibility for the welfare of his industry as a whole.

It is to him that we say "Develop self-government in business." At the same time we—or some of us—demand the right of the "irresponsible" to an equality of opportunity to engage in business.

The Ethics of the Trade

IN ORDER to protect the right of an individual, we have to extend equal rights to many who do not justify them. The individual who possesses qualifications, training, character and capital, must assume the speculative risks that attend competition with some who possess none of these qualities of success. The question then, is, "Do we preserve an equality of opportunity?" Another question is, "Should the community support, 'as business men,' the imitator, the style pirate, and the individual who will wilfully disregard the ethics of the trade?"

Life, Liberty, and . . . .

the Pursuit of Golf Balls

By RAYMOND C. WILLOUGHBY

SHEER desperation of weariness from listening to golf scores may have inspired the invention of that truth-forcing drug scopolamin, for the game is now the diversion of more than two million Americans and seems to prompt its addicts to the creation of fiction in amazing variety and volume.

A round of golf has become a national prescription for saving health and losing temper, and a sort of vicarious "Gullibles Travels" for friends and families of the players. No one knows exactly how many Americans play golf—or for that matter, how many golfers do.

Golf in America is barely middle-aged. About forty years ago it wasn't done in public places by the best people. So found Robert Lockhard when he chose Central Park, New York, to practice the game learned in his native town of Dumferline, Scotland. That enterprise got him arrested. John Reid, who had also come to New York from Dumferline, got Lockhard free from the police. Reid and Lockhard put on their knickers and went to Yonkers.

There the citizens were more hospitable, and the original twosome gradually expanded to the famous "Apple Tree Gang," which in 1888 became the first organized golf club in the United States—the St. Andrews Club now established at Mt. Hope, New York.

Playing the Game in Scotland

FOUR centuries before the episode in Central Park, the forebears of Lockhard and Reid were playing the game in Scotland. There it became a national sport, and was dignified with the attempts of parliament to legislate it out of existence with ordinances that it be "utterly cryit doune and noch usit." Sunday golf was prohibited by the Edinburgh Town Council in 1592, and the Kirk Sessions Book, Parish of Cullen, Banffshire, for 1641, shows, that

James and George Duffus and Charles Stoonison convict in break of ye Sabbeth for playing at ye golff afternoune in time of sermons and yfor ore ordayned evrie ane of them to pay halff a mark and make yr repentance ye next Sabbeth.

Despite the objections of the civil authorities in Scotland, the game persisted, and the increasing number of players made possible the organization of clubs, among them the Edinburgh Burgess Golfing Society in 1735, the Honourable Company of Edinburgh Golfers in 1744, and the famous Royal and Ancient Club of St. Andrews in 1754—the club that set the fashion in rules for the American game. When the game was brought to this country it had the impetus of long tradition—"it had its inception in the days of the Huguenots in Holland, was cradled in the Highlands of Scotland . . . was nursed to robust youth in the days of the Tudors in England." To Americans it gave a new measure of independence in life, liberty, and the pursuit of golf balls. In 1891, three years after the founding of the club at Yonkers, Boston held another tee party and opened the first municipal course in the United States. Although the game still has considerable Scotch in it, it is now America's own by right of numbers.

At the beginning of 1926, estimates of the number of golf clubs in the United States ranged from 2,900, including 100 clubs playing over municipal links, to 4,000 clubs, with an average membership of 250. One or more public courses are now maintained in 156 cities, and many courses under private ownership are available to the public on payment of a reasonable fee. The public courses accommodate about 500,000 players. On November 30, 1925, the total club membership of the United States Golf Association, founded in 1894, included 826 clubs, of which 311 were active and 515 were allied members. The Association explains that

An analysis of reports received as to new club and course developments throughout the United States during the year discloses a total of nearly 600. Tentative plans have been reported for over 250 new courses, 200 new clubs were organized or projected, and in 33 states public officials have either approved or are actively considering the construction of 125 public courses. In addition, many clubs have increased club and course facilities.

Every year the number of players increases. One estimate places the annual increase at 10 per cent, but qualifies the guess with saying that



© INTERNATIONAL NEWSREEL

John D. Rockefeller shares his enthusiasm for the game with the boy whose one club is some discarded midiron. Such is the democracy of American golf

The interest in the game has grown so rapidly within the past five years that nobody has had time to compile exact statistics. The players are more concerned about how they can get away from business, and enjoy the game than bothering about the other fellow and his clubs.

Golf, A Billion Dollar Market

SUPPOSING the estimated number of players somewhere near the fact, the money annually spent by two million men and women with enough leisure to play golf must be considerable—"a billion dollar market" by one measure. The annual golf budget of the nation, as determined by two different investigators working separately, includes items and amounts, as follows:

Dues	$100,000,000	$100,000,000
Clothing	50,000,000	50,000,000
Caddies	40,000,000	40,000,000
Balls	30,000,000	37,000,000
Property	25,000,000	.....
Construction	25,000,000	.....
Hotels	25,000,000	.....
Salaries	25,000,000	.....
Travel	20,000,000	25,000,000
Club houses	20,000,000	.....
Clubs	13,000,000	15,000,000
Equipment	5,000,000	.....
Furnishings	5,000,000	.....
Seeds	5,000,000	.....
Tobacco	5,000,000	5,000,000
Bags	2,000,000	2,000,000
Beverages	2,000,000	2,000,000

The land and buildings used for golf are valued by one of these investigators at more than $1,300,000,000. In 1923 the estimated acreage included in golf courses was more than 300,000 acres, representing an estimated

expenditure of about $40,000,000 for development. A survey of 140 municipal courses in 100 cities, also made in 1923, showed an average acreage of 90 to a course, though the size of the links varied greatly—some cities having 90 acres for a 9-hole course, others having only 25 acres for a course of similar size, and 18-hole courses ranged from 90 acres to 175 acres.

Because of the increased value of real estate holdings, memberships obtained in many private clubs a few years ago have greatly enhanced in value—a circumstance illustrated by the experience of clubs near Chicago. At times these clubs have found the value of their property so great that it has been expedient for them to locate farther from the city, and at the same time realize so profitably from the sale of their properties that they have been enabled to develop ground in a new location on a more pretentious scale.

Whether the estimated valuation of the land and buildings be high or low, the investment in property is suggestively defined whenever a magnificent estate is converted into a golf club—as were "Rockwood Hall," the estate of William G. Rockefeller at Tarrytown, New York, the estate of Mrs. O. H. P. Belmont at East Hempstead, Long Island, the Emerson McMillin estate, at Mahwah, New Jersey, and "Hillcrest," once the residence of Mrs. Caroline Read at Purchase, New York—the very names savor of millions.

Not Alone for the Wealthy

BUT BY no means is it true that golf is exclusively a rich man's game, a "gentleman's game," for refutation of any such belief is provided in the history of this sport. From its earliest days in Scotland it has had a public character extending even to the ownership of the links. According to the *New International Encyclopaedia*, the links "were laid out across a tract of common land by the seaside over which every inhabitant of the district had some right." Even now, Scottish golf courses are community rather than private enterprises.

Plainly, fees must be scaled to meet maintenance charges, and wherever there is continual inclination to remould courses or remodel club houses, the carrying charges will be high—a situation that roused Walter Camp to complain of "America's craze for costliness in golf," and to plead for municipal golf and the cutting of club fees so that more people could afford to play—"after all the Scotch invented golf and we can learn about thrift from them."

On Fees Charged for Playing

IN HER study of "Municipal Golf in a Hundred Cities," Rebecca B. Rankin, librarian, New York Municipal Reference Library, found

> . . . a great variety in the fees charged for municipal golf. A number of cities furnish this sport free of charge. Some cities charge per game or round; this varies from 10 cents to 50 cents. Others charge by the season, month or day, the usual amount being $10 a season, $2 a month, or 50 cents daily. Others have no season rates at all, but charge every player by the day, 25 cents to $1 daily. Some cities make a difference in rates charged to men and women—not many, however. The majority of the municipal courses make a small charge; of the total number only 10 allow their courses to be used free.

The question of charging fees has developed arguments pro and con. Typical arguments were those discussed in Toledo when the city's finance and budget committees considered the feasibility of charging fees for playing golf on the courses in Ottawa and Bayside parks. Against the fee charge were raised the following objections:

> Such a fee, no matter how small, will discriminate against persons of limited means who would have to stop playing.
>
> Many boys and girls of high school age who now patronize the courses would be unable to play because of the fee.
>
> Under a fee system players would be apt to demand "their money's worth," and much dissension would result over disagreements on the playing field.
>
> The fees would be turned into the Welfare Fund so that there would be no assurance that they would be used for golf purposes.
>
> The theory of making a charge for municipal recreation service is wrong in principle.

Proponents of the fee charge contended that

> Persons of limited means who can afford to purchase golf equipment assuredly can afford to pay a small fee for this sport.
>
> School children who could not afford to play on the large courses would have access to the junior course in Ottawa Park, which would be free.
>
> The theory of making a charge for the privilege of playing on a municipal golf course is as justifiable as paying for city water, which is only charged against the users.
>
> Although the fee receipts would go into the Welfare Fund, they would be credited towards the golf course maintenance.
>
> Most of the large cities have accepted the principle of requiring a small fee for the privilege of playing on a public golf course.

A pertinent commentary on the current status of the game and a reasoned view of its future state are provided by Wm. Henry Beers, editor of *Golf Illustrated*. He writes:

> Interest in golf has grown to such dimensions that the behind-the-scenes details have become specialized, and now trained men can be found for each department, from the green to the counting room. Golf has reached this stage through the same process as the modern well-conducted hotel evolved from the wayside inn. In fact, from superficial indications, the golf club of tomorrow is likely to be conducted by hotel men, and the financing will be on the same plan as hotel financing.

Golf a Universal Sport

NO SPORT has made such a popular appeal as golf. It is in a fair way to become "of the people, for the people, and by the people," as Walter Camp so ardently wished. Its dividends proceed from health-giving exercise in the open air. It trains the eye, coordinates the muscles, increases the lung power, and accomplishes a balanced development of mind and body without the attendant dangers of most recognized sports. No other game offers the wide range of participation, the all-'round physical upbuilding, or the possibilities of wholesome companionship out-of-doors. It may be enjoyed by old and young of either sex.

It is a game which the "dub" may play without embarrassment, a game in which "the most skilful professional can never hope to attain perfection"—and if the "dub" is a bit leary of controlling the ball, he can take out a golfer's policy for an annual premium of $8, which will indemnify him up to a liability of $5,000 for one person injured,



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Value of land and buildings used for golf in the United States is estimated at upward of $1,300,000,000. De luxe suburban developments not infrequently spring up adjacent, thus greatly enhancing the investment value of club property

and will cover loss to the amount of $100 on his equipment.

The dividends are intangibles, of course, but they must be set off against the expenditures. One important credit item is entered by the Rev. Henry H. Shires, of California, in *Pacific Golf and Motor*, for he sees golf as a means of grace—"It is the one game with the spiritual residing in it," he writes. "It is essentially a game of the sweetest of human relationships, comradeship. It calls out the fairer elements of every nature."

Another significant credit item is entered by Dr. Albert F. Henning, physician of the Olympia Fields Country Club, Chicago, which has 1,250 members and four 18-hole courses. As the club doctor he made a study of the health benefits of the game, because "there was little else for a golfer's doctor to do—golfing each day gave the doctor no pay." He found that

> The game has proved beneficial to those who took it up while ailing, and has been a preventive of illness for those who got into the game before functional or organic disorders waylaid them . . . the exercise is not strenuous enough to bother leaky hearts, but is entrancing to such a degree that it soothes shaky nerves and obsessed brains.

When the accounts are all cast up, the credits, like as not, will more than balance the debits, and when good golfers are gathered to their fathers, they should be remembered here below for the quality of their citizenship, or for the trees planted in honor of their victories, as at Dixmoor, rather than for their fabulous holes-in-one. And in the bright beyond, there will be no water hazards, no bunkers, no rough, no bogey—just a continuous fairway with no warnings to replace the divots. In that sweet Elysium the "dub" and the professional can lie together, and there for once will be freedom of the tees. But until that heavenly "Fore" is called, the golfer's epitaph must read:

> The last hole is made at last,
> And bag and clubs put by,
> And pipe and player both alike
> In dust and ashes lie.

The F.T.C. and the Trade Associations

THE SENATE a year ago adopted a resolution introduced by Senator McKellar, of Tennessee, asking the Federal Trade Commission to investigate "open price associations," to learn if their effect has been "to maintain among members thereof uniform prices to wholesalers and retailers."

The Commission sent questionnaires to such associations as it believed to come into the "open price" category. These results were not satisfactory, and it was decided to send questionnaires to all trade associations, whether or not they were "open price."

Important Dissenting Opinion

AN IMPORTANT and comprehensive dissenting opinion to this action was filed by Commissioner W. E. Humphrey. The opinion is of interest not merely to trade association executives, but to members of such associations and to those interested in their work.

Here it is in full:

The question here is further proceedings under S. Res. 28. This resolution directs the Federal Trade Commission to investigate "all open price associations." In the third paragraph of this resolution is found the following language:

"Whereas such associations may exert a large influence in maintaining prices at an exorbitant level, particularly in the case of manufacturing concerns, the products of which are protected by a high tariff duty."

It would be a credulous political neophyte that could not translate the meaning of that language. Every member of Congress and of this Commission has announced that the Commission should not be used for political purposes. Under this resolution the Commission proceeded to have questionnaires sent, as far as known, to all "open price associations." The replies to these questionnaires were not satisfactory to the Economic Division. Dr. Walker, the head of the Department, then declared that the only scientific way to procure the information needed, was to send out questionnaires to associations that were not open price and, of course, not within the purview of the resolution. The Commission has directed him to do this, after the majority expressly refused to compel him to file a memorandum giving the reasons therefor.

It is well to keep in mind that Dr. Walker, when he asked this permission, and Commissioner Van Fleet, who made the motion to permit this action, both agree that other than "open price associations" are not within the provisions of the resolution. It is, therefore, admitted that we have no legal right to require these other associations to answer any questionnaire, and it is also admitted that these other associations have never been accused of any wrong.

It has frequently been asserted that the Federal Trade Commission, contrary to the intents and purposes for which it was created, and without any authority to do so, has persistently annoyed and irritated business institutions and put them to great trouble and expense by unauthorized and unwarranted requests and demands for information relative to the conduct of their business. Heretofore these complaints have been made where the Commission has proceeded against such parties as have been accused by someone of violating the law; but we now propose to extend this inquisitorial system of prying into the private business of those who have not been accused—against those who are admitted to have done nothing wrong.

I think it is to be regretted that the Commission refused to submit to the Chief Counsel the question as to whether or not the Commission has a legal right to spend money to secure information that it has no legal right to obtain.

The action of the Commission, in my judgment, is especially to be regretted because the questionnaires sent out and the letters accompanying them contain on their face an element of deception; in this, they do not plainly state that the Commission has no legal right to require them to be answered. These letters and questionnaires should conceal nothing. They should state all the facts. They should not mislead by omission, and such omission by necessary implication carries the statement that the Commission has the legal right to compel an answer to the questions submitted.

Unfair Treatment of Citizens

FOR THE Commission to send a questionnaire to a citizen who is under no obligation to answer the questions therein propounded, and where we have no legal way to compel him to do so, and where such answer depends entirely on his voluntary action, without plainly and specifically so stating, is not treating the citizen with the frankness and spirit of fair dealing that he has a right to expect from his Government. A request by the Commission of any citizen for an answer to a questionnaire, from whom we have no legal right to demand such answer, without fully stating that fact, is in itself a species of coercion.

Such failure is to a degree not only to practice coercion but it is an element of fraud and false pretence.

The Commission is not a detective bureau, not a secret service organization, and we cannot afford to attempt to obtain information by any method that contains an element of deception or coercion.

I am persuaded that one reason why more answers to the questionnaires already sent were not received, and why those received were not more satisfactory, was because the questionnaires did not state on their face that the recipient was under no legal obligation to answer them.

The average business man is highly intelligent and entirely human, and when he receives such questionnaires, he knows that the Commission is not dealing frankly and openly with him. It arouses his suspicion and his resentment. He naturally refuses to answer all, or purposely to answer fully. His answers, like the questionnaires, may not state all the facts. If we dealt with him with entire frankness, if we told him the entire facts, we at least would deserve the same treatment from him.

Data Should Be Voluntary

IF THE questionnaires stated fully that the information sought, we believed, was for the public good, and that we sought his cooperation and that his assistance would be appreciated, and that we had no desire to pry into his business, and that it was entirely voluntary on his part whether he replied or not, I believe that then we would get a far larger number of replies to our questionnaires, and that such replies would be fuller and more satisfactory.

To thus treat the citizen that we deal with, would not only be the fair thing to do, but it would be the expedient thing to do. When we gain the confidence of honest business, we will have its support. Then we will have no difficulty in securing its cooperation. But we are not going to get this confidence and cooperation as long as we ourselves are lacking in fair dealing and frankness. If we are to expect honesty and fair dealing and cooperation from business, we must ourselves practice these virtues.

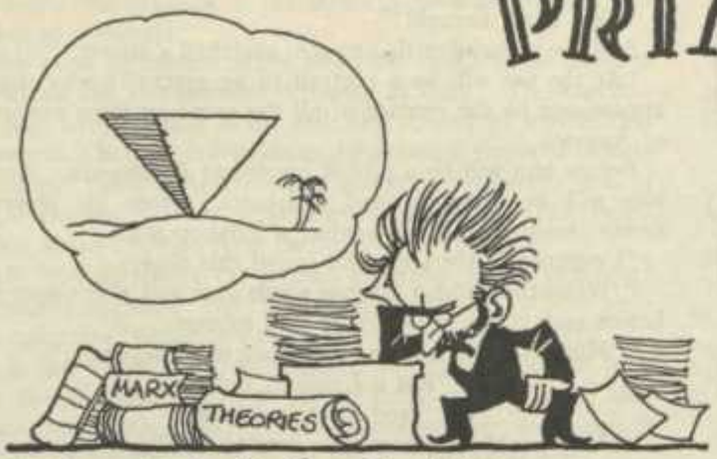
The Commission can never afford to state less than the whole truth in its dealing with any citizen. In fact, less than the whole truth is not the truth.

Such action does not tend to strengthen the confidence of the public and honest business in the good faith of the Commission.

For the reasons stated, among others, I most respectfully dissent from the action of the Commission in this matter.

The Business Man's PRIMER

4



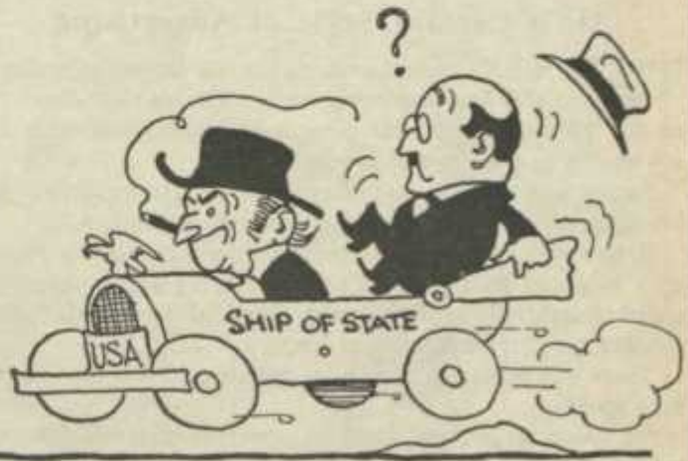
M Is for Meddler
Whose world's out of joint
He thinks that the pyramid
Should stand on its point



N Is for Notions
That come without pause
Then Legislative Potions
And a new batch of Laws



O Is for Ought
Advice always hot
Of what Business ought to
And what it ought not



P Is for Politics
And a business man's prayer
That Political Chauffeurs
Drive with some care

MOST OF THE JINGLES SENT IN BY OUR CONTRIBUTORS ARRIVED TOO LATE FOR THIS ISSUE - BUT SOME WILL GET IN THE NEXT TWO. $10.00 FOR EACH ONE ACCEPTED.
P.S. LOOK FOR YOUR JINGLES AFTER THE CONTEST IS OVER - WE ARE GOING TO PRINT A PAGE OF THEM!

Charles Dunn

NATION'S BUSINESS

Published by the Chamber of Commerce of the United States

MERLE THORPE, Editor

Washington April, 1926

Taxation Without Representation

HERE IS a complete report from the *Congressional Record* of the debate in the Senate of the United States on a most important change in tax methods:

Mr. COUZENS. Mr. President, I send to the desk another amendment, to be inserted on page 100, line 9. I spoke to the chairman of the committee about it, and he saw no objection to it. I believe it will have to take the same parliamentary course.

Mr. SMOOT. No; it will not be necessary to reconsider that. This is not an amendment to an amendment. It is a straight amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 100, line 9, it is proposed to strike out the word "voting," and on line 11 it is proposed to strike out the word "voting."

Mr. COUZENS. That is to provide for corporations that have a large amount of non-voting stock.

Mr. SMOOT. There is no objection at all to that, Mr. President. That ought to be done.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

With that discussion the Senate altered the pending tax bill in a way which would add in one case $750,000 to the tax bill of one corporation alone. Moreover, it reversed a principle of taxation on which the Government had been committed. The change was never thrashed out in committee; no chance was given to the interests affected to state their side of the case.

The bill as so casually modified was again altered in conference through the timely intervention of business organizations. Leaders of business were hastily summoned, and further changes made the bill fairer.

Yet those who speak for business are called "infamous lobbyists." Shouldn't "the square deal" be square to all sides?

On a Certain Style of Advertising

THE EMINENT manufacturer of candy sat in the center of one side of a long conference table. On his right hand and on his left were ranged his vice-presidents, his treasurers and his managers of sales and production.

Facing him was the no-less-eminent advertising agent. On his right and left were ranged his account executives.

Before each member of the conference was a lollypop, resting on a blue and gold plate. Each advertising agency executive gazed thoughtfully at his lollypop. Each of the manufacturer's cohorts gazed triumphantly at his.

There was profound silence for minutes. Then the lollypop king spoke.

"It seems to me we ought to advertise that children can safely eat these lollypops. There is nothing used in the making but pure sugar and fruit flavor. No mother could compound her baby's bottle more carefully. No other lollypop uses a non-splintering lollypop stick. Our offer to bury free any child who chokes to death on one of our lollypop sticks has never found a taker. Those are points."

There was more silence, heavier and deeper than ever. The great advertising man fixed the lollypop king with a stern eye.

"No," he said. "No!

"The child market, the mother market—those are too obvious. There is in them no consumer-resistance that cannot be broken down by a properly planned dealer-acceptance. What your advertising should do is to create new markets, markets untouched as yet, markets into which the lollypop has not yet penetrated.

"Here is my thought!"

And the great advertising agent sketched a layout.

"At the top will be a portrait of an executive who shall in appearance be the essence of all the great business executives of America.

Before him will be a pile of important documents. Around him will be secretary and assistants. From his powerful, firmly closed mouth will project a lollypop stick.

"Underneath, the copy will sound this note:

" 'When the midday miasma steals over you, don't spur your brains with coffee or lull them with tobacco.

" 'Make the afternoon an afternoon of achievement!

" 'Eat a Luscious Lollypop
and Pitch in Afresh.'

"There," said the advertising genius, "is the approach to the executive market, to business men and women. When the American market is saturated, we shall reach out for a world-wide acceptance by business. Then, and not until then, we shall create customer-desire for lollypops in every tired housewife."

We haven't seen this kind of advertising tried with lollypops, but we have with hats and shoes and pencils and foods.

So why not lollypops?

"Barefoot Men"

"WHAT'S THE MATTER with ———?" is one of those favorite questions often asked and seldom answered.

New England industry, however, is making an intelligent and determined effort to answer the question, "What's the matter with New England?" through the New England Conference, which is focusing the intelligent business opinion of all six New England States working as one.

A New England visitor to the editor's office brought a new and interesting answer to the New England problem. Said he:

"In the textile industry we have what are known as 'barefoot men.' Weavers work without shoes in moist rooms until their feet are so toughened that no splinter can penetrate. They're the backbone of the industry.

"In my town there are four mills which are prosperous, and the active head of each one was once a 'barefoot man.'

"I sometimes think that that's what New England needs—more 'barefoot men,' and fewer men who have inherited industries from prosperous ancestors. I'm not decrying education—far from it—but there's a need, perhaps, for more practical workers."

Doesn't that apply to every industry? Don't all of them need a sprinkling of "barefoot men"? Aren't they better for the men who come up from the ranks bringing with them a knowledge of the workman's problems?

An interesting list could be compiled of the "barefoot men" of American industry.

The Right to Farm Badly

THREE great domestic questions are likely to engage the attention of the present session of the British Parliament, and not one of them but will find its echo in the discussions in the American Congress.

Great Britain is debating what to do with the coal-mine situation; to what extent shall government control the production and sale of electricity; and how to aid agriculture.

In Parliament there will be a clamor for more drastic control by the government of power and light; nationalization of

coal mines is certain to find supporters; subsidy of agriculture will be urged.

And all these things in one form or another we shall hear from Washington.

The *Manchester Guardian* (Liberal), discussing agricultural reform and the attitude of the Baldwin government, has this interesting paragraph:

"The same difference arises over the other great problem with which the Government proposes to deal. The Government will have nothing to do with any scheme of agricultural reform which in any way weakens the absolute rights of private ownership. Good cultivation and adequate wages are not, in the Government's view, a paramount necessity. The maintenance of the right to farm badly is."

Well, why shouldn't the British Government, or any other government maintain "the right to farm badly?" Or to publish a magazine badly? Or run a factory or a shop badly?

Is it the function of government to prevent people from doing things badly? Are we all to farm alike in order that no one shall farm badly? And if government so brings it about that none shall farm badly, will any one farm well?

The Bee Chamber of Commerce

INSPIRED by a statement that the bee travels 20,000 miles in 40,000 trips collecting material for a pound of honey and then throws half of it away as unfit, we chided the bee as inefficient.

E. R. Root, of Medina, Ohio, who is one of the world's great authorities on bees, corrects our views. The figures of bee energy are too low, he says. It takes nearly 100,000 miles of bee-line travel to gather a pound of honey. Think of that the next time you add honey to your hot biscuit.

There is one way in which the bee sets an example. Mr. Root says:

"In the height of the season bees are very efficient. They do not work under a boss or under a manager, and all of them act together as one individual, seemingly, for the good of the community."

What an ideal member of a chamber of commerce a bee would make!

Can Taxation Be Unselfish?

A REPRESENTATIVE body of teachers met in Washington not long ago and adopted a resolution deploring the tendency of state and municipal units of government to reduce appropriations for education.

An honest and, no doubt, an unselfish expression of belief!

And tomorrow the Association of Police Chiefs may meet and protest that states and cities are going to excess in cutting down the moneys spent for the protection of life and property.

The day after tomorrow the Highway Commissioners may go on record as regretting that counties seem less inclined to spend the money to build new roads and repair old ones.

It is hard to see taxes as a whole. Nothing is easier than to arouse a public to denounce high taxes; nothing is harder than to get the same public to take an unselfish view of the whole problem.

Publishing as we do a widely circulated magazine, we might look with a lenient eye on a proposal to reduce, by government price-fixing, the price of print paper, but how we should resent a proposal that the Government should interfere to fix our subscription price or advertising rates!

"Less government in my business; more government in your business," was the cynical retort to the cry of "Less government in business; more business in government."

But this is true: We may be a long way from a millenium of unselfishness, but we are nearer it. Industry is learning its lesson. The idea that a competitor is a natural enemy hasn't passed, but is passing. Trade associations are teaching trade rivals that there is strength in unity.

Cast-iron Houses for England

CAST-IRON HOUSES are one of the most recent novelties devised in England in the effort which has now been going on for a number of years to meet the problem of modern housing for workers at rentals which are low.

The cast-iron house has a concrete foundation, timber floors, steel frame, cast-iron outer plates, an inner shell of fibre board four and a half inches inside the cast iron, an outside finish of cement and pebble dash, a tile roof, and brick chimney. After the foundation is constructed, it is said that the rest of the house can be "turned out" in two weeks and that the only men needed for the job are two laborers, one "fixer," and two tilers. A cast-iron house of six rooms and bath is reputed to cost about $2,600.

No Black on the Map!

WE HAVE alluded elsewhere to the folks who object to our Map of the Nation's Business whenever it shows the old home town in anything but the white of improving business. But we've done our bit this month. For the first time since October, 1920, the map shows no spot of black.

Soon the Shepherds Will Outnumber the Sheep



IRELAND IN COLUMBUS, OHIO, "EVENING DISPATCH"

When the business man cries out "Too many organizations," is he raising his voice against chambers of commerce and trade associations, or is it because of the confusion which the cartoonist has here so cleverly caught? Doesn't he really mean that there are too many "anti" associations and "pro" leagues? Perhaps business organizations are suffering from the confusion in the business man's mind.

Wall Street, Main Street, and the Farm

By FRANCIS H. SISSON

Vice-President, Guaranty Trust Company of New York

NEW YORK CITY is best known as the financial center of the United States, and yet few of our vast population have any definite knowledge of what this means. In a vague way reference is constantly made to Wall Street, without any realization of what constitutes Wall Street or what functions Wall Street performs.

We are all suspicious of things of which we are ignorant, and so Wall Street, with its highly specialized and, to the outsider, mysterious activities, has always been an object of suspicion to the general public. And yet there is really no mystery about its real operations and nothing to warrant suspicion any more than would be found in any other recognized human activity.

One of our corn-fed philosophers, Josh Billings, aptly observed: "The trouble with the American people is not so much their ignorance as the tremendous number of things they know that ain't so." This comment applies peculiarly to a large number of things the American people know about Wall Street "that ain't so."





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As long as thrift is practiced and surplus capital accumulated there will be required such an adequate system of finance as is found in Wall Street



For there are two Wall Streets, one real, the other fake. One is devoted to the collection and distribution of the nation's capital for the service of its people; the other preys on the work of others. One renders an absolutely indispensable business service; the other is a parasite on the body economic. It is the real Wall Street and its relation to the lives of all of us, whether we live on Main Street or Fifth Avenue, that concerns us in this article.

Markets for Money Are Vital

IT IS just as essential that there be markets for money and the evidences of money as for any commodity which men require. To facilitate their economic use, there must be middlemen to distribute credit and securities. The industries and business houses of this city and nation must have centers of credit for their demands as well as centers of goods for their supply. And that is the important place which New York and Wall Street occupy.

The real Wall Street is in fact the natural and wholesome evolution of the forces of trade and finance. It exists because there is imperative need for it in the development of the country's business. If some disasters should suddenly destroy the financial district of New York, we would immediately see the most frantic efforts to re-establish it as promptly as possible, in order that the trade and industry of the nation might continue to carry on.

The simple truth is that Wall Street renders a business service essential to the efficient development of the country. As long as thrift is practiced and surplus capital is accumulated, there will be required such an adequate system of banks and exchanges as is found in Wall Street. The development of a system where capital may be stored for effective service to the community and where investment may be stimulated and facilitated to the advantage of all concerned is logical and necessary. Such enterprises must, in the main, render useful and beneficent services or they would not persist.

A natural evolution, the result of its wealth and advantageous location, has made New York a city of great banks and financial institutions and has also established there the nation's chief market for securities. Funds from every part of the country flow to New York, attracted by the greater opportunity for their use which is found in this center.

The accumulations of deposits are large and, in turn, the openings for the useful employment of these funds are upon a correspondingly ample scale. Much of the financing of commercial, industrial and investment interests of the entire country centers in New York. It is clear that these funds must be employed sanely and constructively and to the real service of the business community, or they would inevitably soon be withdrawn from the control of the bankers.

Working for Business

BANKERS as a class constitute a conservative and constructive element of the community. Their primary interest is facilitating and building up the nation's business. To these purposes they devote their abilities and working hours. Their skill has constructed an intricate system of financial aid to commerce that is world-wide in extent. This system makes possible the transaction of domestic and international trade with an ease which would be quite lacking if these banking facilities were not provided.

New York City is the greatest of all the commercial ports of the country, and a large percentage of the imports and exports of the nation flow through it. Underlying all these vast trade movements is found the efficient service of the great New York banks. The invoices, bills of lading and drafts, representing shipments of cotton from the south, grain, meat and other food products from the middle west and manufactures from all the great industrial centers, are constantly passing through the banks and are being made the basis for advancement of funds by them to the great convenience and advantage of the exporters of the country.

A complete system of interlocking credits from other banks permits loans to be made safely against commodities in transit, both in the domestic and foreign fields. Drafts in connection with such transactions are constantly being accepted and discounted in very large amounts by the banks of New York. These activities disclose the business

of metropolitan banking as a continuous aid and stimulus to the great movements of commerce throughout the world.

In the field of investment, Wall Street may also reasonably assert that its services are essential, useful and constructive. Its bankers and financial leaders have usually won their way to the positions of responsibility which they hold by exhibiting conclusively the quality of good judgment in business affairs. The great banks are heavy underwriters of the new securities which are offered in the financial market. Such securities are subject to the closest study by the highly trained technical experts of the banks before they are accepted and presented to the public, and the banks spare no effort to secure competent advisers in this field. Their financial strength permits them to employ specialists competent to scrutinize all aspects of a new investment and give sound advice thereon. Thus the public is again served and protected.

No Opposition to Farming

ONE OF the far-spreading absurdities of the Wall Street delusion is the idea that Wall Street is antagonistic to farming interests. Wall Street and all of us depend upon the farmer to help maintain the general level of prosperity. Wall Street as a money market is called upon to finance the growth and marketing of the farm crops. It helps to finance the distribution of these crops from the farm to the consumers in New York, Chicago, Atlanta, Spokane, London, Rome, Athens and Tokio.

Many Wall Street bankers were born and raised on farms. If they were not thoroughly familiar with agricultural requirements, they could not hold their present positions in the financial world. Long ago they found agriculture to be a barometer of prosperity. Their early rural training and their later financial experience have combined to make the Wall Street bankers peculiarly sympathetic toward the farm situation.

In the period of deflation, Wall Street suffered proportionately as much as the farmer. The aggregate losses of Wall Street banks in those days mounted to a staggering sum. This was another evidence, if more were needed, that Wall Street is not an independent institution but merely an organic part of the country's business system, necessarily reflecting the ups and downs of business.

According to a recent estimate, New York banks, for the purpose of financing agriculture, put out commercial loans to the value of one billion dollars, hold banker's acceptances for another billion, buy commercial paper, such as cattle and sheep loans, for a third billion, and carry balances of country banks for a fourth billion.

Thus Wall Street furnishes a $4,000,000,000 river of credit annually to produce farm products and float them to market.

After these commodities have been moved to market, the money used in handling them may return to Wall Street for investment in the call-money market and be otherwise profitably employed.

Wall Street furnishes the channels for keeping this huge fund of capital continually busy. And through this sufficient financial machinery the money is made to do double duty.

Many of these huge investment operations in Wall Street are also of significance to the farmer. Much of the $10,000,000,000 invested in farm mortgages was advanced by western financial institutions. It is an evidence of the faith of eastern bankers in agriculture.

Moreover, in no sense is Wall Street's interest in agriculture local or sectional. The main function of New York financial institutions is to send money where it is most needed. Looking over the latest reports of New York life insurance companies, one finds larger holdings of western and southern farm mortgages than of eastern. One of these companies has invested $57,000,000 in Iowa farm mortgages, $13,000,000 in Missouri, $7,000,000 in Nebraska, and none in New York or New Jersey.

Farm-Bond Purchase a Service

ANOTHER service rendered to agriculture by Wall Street is the purchase of Farm Loan bonds, of Joint Stock Land Bank bonds and the debentures of the Intermediate Credit Banks. There is a total of $1,451,800,000 of this paper outstanding, of which New York Banks took about one billion.

Nor are Wall Street's financial services to agriculture limited to direct loans to rural banks, purchases of banker's acceptances on farm products, warehouse receipts, purchase of commercial farm paper, bank balances with correspondent banks and the permanent investment in Farm Loan bonds and farm mortgages. The general financial service to other industries related to agriculture also helps the farmer substantially. In this way Wall Street loans to the packers, to the railroads, to the millers and to the farm-machinery manufacturers to help them serve agriculture.

In short, Wall Street is as necessary and serviceable in the handling of credit and capital as is the cold-storage plant in caring for seasonable perishable products. In this capacity the stabilizing influence of New York financial institutions on prices, interest rates and other economic conditions cannot be easily overestimated.

The necessity of such a credit center in a country with a $60,000,000,000 annual business is obvious. Every community has its seasonal peak demand for money and its corresponding slack season.

Money, like other commodities, moves in certain channels, in accordance with the irresistible law of supply and demand. The primary







The man who criticizes Wall Street criticizes not only all business America, but many private enterprises in the far-flung quarters of the globe which depend on the "street" for support

interest of bankers lies in building up the nation's business whether they are operating in Wall Street or on Main Street, and there can be no permanent constructive business building except on the basis of mutual interest.

The real Wall Street is not predatory; it is mainly an area of useful and legitimate business to which prosperity comes only to the degree that the public is well and honestly served. Its standards are at least as high, its efforts as constructive and beneficent, and its purposes as honorable as those of any other branch of our economic system. The same kind of men, with the same relative proportions of good and bad, of truth and error, will be found in Wall Street as are found elsewhere, and no sweeping generalizations can make them otherwise.

There can be no conflict of interest between Wall Street and other business interests or between Wall Street and the rest of the country. Wall Street prospers only as business generally prospers and as the whole country is prosperous. It could not live unto itself alone even if it wanted to.

Unfortunately, the very fact of Wall Street's supremacy in finance and the existence of the money market in New York brings to it a host of the powers that prey, those who seek to reap without sowing and to live on the labor of others. The fake promoter, the dealer in bogus securities, the professional gambler frequently make this the base of their operations, but they bear no true relation to the real Wall Street, which wars upon them relentlessly, with the one purpose of keeping clean an institution of great power.

Wall Street Includes Food Lines

BUCKET-SHOPS are not brokerage houses; fake securities are not issued by banking houses; losses and failures suffered by the public from such concerns do not emanate from legitimate banking or brokerage concerns. Wall Street, in the discharge of its true functions as the nation's reservoir of capital and credit, really includes the whole business community, for its food lines reach into every business center.

The man who criticizes the true Wall Street really criticizes all business America. Its control lies with the people; their demands govern it, and their presence or absence from the market determines its trends. In a country in which the private ownership of property and private management of capital is practiced, such institutions are necessary, for capital simply represents a nation's accumulated surplus, or, as an English economist puts it, "Capital is what you and I have saved out of yesterday's wages."

Stocks and bonds are simply the tokens of capital investment, the evidences of either ownership or debt. They render a double service, offering both mediums of employment for savings and the provision of capital for enterprise. All of us who save and invest in any sums are capitalists. Every man who owns his own home, who has a savings bank account, a life insurance policy, a mortgage, a share of stock, a bond, or a business interest of any kind, is a capitalist, and the wise and safe accumulation and direction of capital is a part of his concern. That is the service Wall Street is rendering, not only to the people of New York City but to the people of our whole country, and for them to people of other countries.

Team Work to Save a Railroad

By E. V. WILCOX

"ON NOVEMBER 30 next, the directors have decided to cease operations, to pull up the rails and to sell all the property belonging to the company."

That brief announcement made in October, 1917, probably caused not even a ripple on the sea of the world's business, but was mighty interesting news to 15,000 people who depend for transportation upon the New York and Pennsylvania Railway.

You may not be familiar with this railway but to its patrons this line was their one means of transportation, their only artery of trade.

In the alarm over what would become of them and their homes and investments, if the railway were to be abandoned, the community was temporarily relieved by the government decision to restore that part of the track which had already been removed and to continue operations during the war. This gave them a breathing spell until the troubles of 1920 came upon them. Then it became evident that the stockholders of the road could not be expected to hold the sack much longer. Built in 1897, the New York and Pennsylvania has paid only three dividends, none since 1907. And for the past five years the average annual loss has been $17,000.

Many other short lines, strictly necessary to the communities which they serve, are in the same boat. And the New York and Pennsylvania Railway is a typical case. The line extends southwesterly from Canisteo, N. Y., through Steuben and Allegany Counties, New York, into Potter County, Pennsylvania, and then bends back to Ceres, New York, a total distance of 57 miles.

Most of its outbound freight goes to Canisteo, connecting at that point with the Erie Railroad. Within a belt extending 4 miles on either side of the line there are 300,000 acres of good farm land, used chiefly in the production of milk, potatoes and hay. On the line also are important manufacturing industries, including a $500,000 milk condensery at Whitesville.

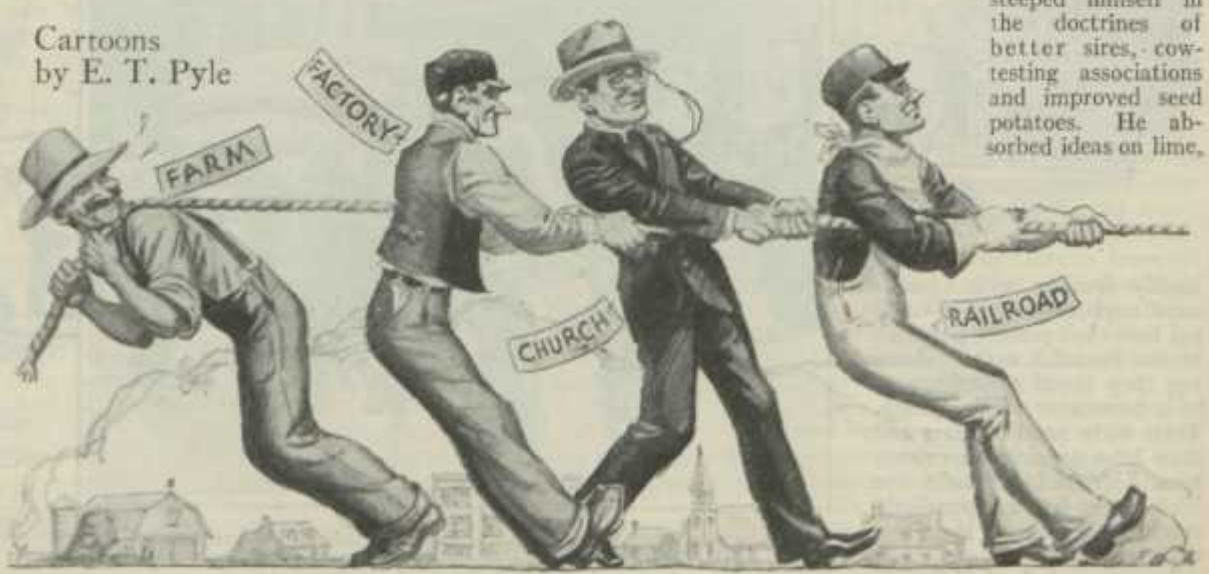
A Real American Community

THE COMMUNITY is made up of old American stock, descendants of the original settlers who began to arrive in 1790. Nearly all the farms are operated by their owners. Steuben is the second greatest potato county in the United States. Potter County's dairy cows are valued at more than $1,500,000. There are 60,000,000 feet of hard timber awaiting harvest and more than 150,000 cords of pulp wood.

A conservative estimate indicated that the $10,000,000 worth of property along the line would be depreciated at least to the extent of one-third if the railway were abandoned. But stockholders couldn't gracefully be asked to make up deficits for all time.

How was the situation to be saved? Two men devised a simple, effective remedy. These men were G. M. Beasor, general manager of the New York and Pennsylvania Railway, and H. L. Somers, pastor of the Presbyterian church at Canisteo. The immediate result of this conference was that Beasor acquired a truly religious fervor in his determination to identify the interests of the community and the railway, while Somers decided that his duties as pastor involved familiarizing himself intimately with railroading, farming and manufacturing. He spent two months studying all available literature on the history and operation of railroads. He steeped himself in the doctrines of better sires, cow-testing associations and improved seed potatoes. He absorbed ideas on lime,

Cartoons by E. T. Pyle



soil treatment, spraying, fertilizers and marketing.

With this preparation the two men started on their crusade to hitch a whole community together for team work. Seldom have railroads and religion been mixed with farming and manufacturing with such helpful results. For in three years' time these men have unified the efforts of the whole community to a remarkable degree.

A committee of public welfare was formed, consisting of farmers, bankers, business people and property owners, for the purpose of lowering the cost and increasing the volume of production, improving the quality of farm products, finding wider markets and otherwise increasing the business of the community so that the transportation system, so indispensable to their daily life, might live on its earnings rather than from the savings of the stockholders.

This Campaign Went Forward

FOR THREE years this campaign has gone forward with no slackening. Every community on the line of the railway was visited and a local welfare committee organized. And everywhere the purpose of the crusade was to create better team work in the neighborhood as a whole, to produce better milk and more of it in the dairy sections, to grade and improve potatoes so as better to meet competition with Aroostook and Long Island growers, to induce a larger and more scientific use of lime and fertilizers where needed, to promote better soil culture, to make arrangements for more economic purchase of supplies and furniture and in every neighborhood to set forces in operation to round out the life of the people.

No business or industry was left out of the picture. Nobody was overlooked. No community need was forgotten. No industry was arrayed against another industry, nor town against town. All were made to see how these 300,000 acres of farm land with 15,000 people and their various interests were bound together into one economic unit by the 57 miles of railway upon which they depended.

To this end everybody contributed his bit. The county agricultural agents helped the cause of community solidarity while making their frequent rounds of the farming population. The Pennsylvania and New York agricultural colleges caught the spirit of the movement and boosted for it in their way. The Dairymen's League actively encouraged its members to keep in the game. Outside manufacturers and wholesalers who sold their goods to this community took an active part in the crusade. And the Farm Bureau helped in promoting a condition in which the whole district might come into its full heritage through scientific farming.

But in the meantime what was to happen to the railway which made all this development possible?

Pastor Somers reached the conclusion that a local subsidy was the only visible means of carrying the line through to the time when it would be taken over as an essential part of the proposed Nickel Plate merger. Mr. Beasor was in entire accord with the proposal. A meeting called to consider the matter unanimously adopted the scheme. Then these two crusaders started out to raise the subsidy.

Meetings were held at all stations along the line of the railway. They faced the whole problem fairly and honestly, holding that consolidation was the ultimate solution of the problem. But until consolidation with the Erie as a part of the Nickel Plate system could be brought about, the patrons of the New York and Pennsylvania, in their anxiety to save the road, raised $75,000 to be paid in three equal annual instalments as a voluntary subsidy. One year's subscription has been paid and there are still two to come. The $75,000 subscription was an out-and-out free-will offering with no strings tied to it and no securities taken in exchange.



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Farmers Contribute to Campaign

ABOUT 500 farmers contributed $5 to $100 each to the fund. And those who were unable to give cash pledged potatoes, cross-ties or day labor. Bankers and business men gave larger sums. Wholesalers in Elmira, Corning, Wellsville and other towns within a radius of 60 miles helped to swell the fund. In fact, everybody from 16 to 60 put his shoulder to the wheel.

What will happen at the end of the three-year period covered by the $75,000 subsidy? If necessary, Mr. Beasor assured me, the patrons of the road are disposed to continue making up the deficit whatever it may be from year to year.

Without the New York and Pennsylvania Railway in operation 15,000 citizens would indeed be in a quandary. Perhaps one-third of them, at an additional expense of $2 to $5 a ton, might have their products hauled to Canisteo or Ceres by truck. But with such a handicap they could not compete with farmers located along the line of the Erie Railroad. A second third at some extra expense and inconvenience might reach the Buffalo and Susquehanna R. R., or the Pittsburgh, Shawmut and Northern R. R., while the rest would be left without any transportation facilities, many of them 20 miles from a railroad and over hills and country roads, furnishing serious obstacles to freighting at all times and impassable except to sleighs in winter.

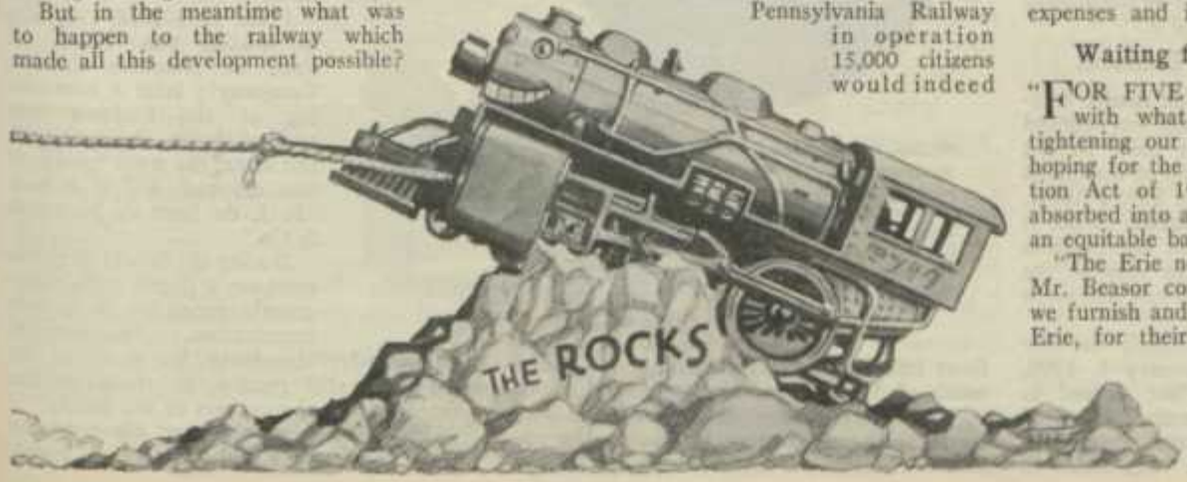
The case of the New York and Pennsylvania Railway was laid before the Interstate Commerce Commission by G. M. Beasor, H. L. Somers and Moultrie Hitt in connection with the pending Nickel Plate merger. Later I had a long talk with Mr. Beasor to get more details of the situation.

"The total investment in our railway," said Mr. Beasor, "is nearly $900,000, about $530,000 in stocks and the rest in bonds. Something more than half of the securities are held by patrons along the line. As so often happens with short lines, the division of carrier receipts from freight originating on our line is not enough to pay operating expenses and interest on investment."

Waiting for Road's Absorption

"FOR FIVE years we have been waiting with what patience we could muster, tightening our belts and gritting our teeth, hoping for the fulfilment of the Transportation Act of 1920 by which we should be absorbed into a large consolidated system on an equitable basis.

"The Erie now derives $150,000 a year," Mr. Beasor continued, "from freight which we furnish and at little extra expense to the Erie, for their fixed charges and overhead would be the same whether they got our freight or not. It would be ridiculous to permit the strong roads to consolidate and leave the



short lines at a still greater disadvantage than ever. This would defeat the primary purpose of the transportation act, which was to take care of the weak roads and preserve them wherever they furnish indispensable service.

"The New York and Pennsylvania is the very life of the people along the line. Nor could it be economically replaced by trucks. Four hundred tons is not an unusual train load of freight.

Trucking Would Be Expensive

"TO HAUL such a day's freight eighty 5-ton trucks would be required, consuming 1,000 gallons of gasoline and 100 gallons of oil. I have carefully estimated the relative annual expenses of hauling by train and truck, and find that it would cost $135,000 a year more by truck than by train. Our farmers could not bear such a handicap."

Nor is it certain that trucks could handle the situation at all. Freight offerings are heaviest in winter when trucks would have most trouble in making the grade. Inbound freight in early winter consists chiefly of lime, fertilizer, coal, merchandise and livestock for feeding purposes, and outbound freight is mostly hay, straw, potatoes, fluid milk, wood and lumber.

Costing, as it does, less than $1,800 a mile per year to operate, it is difficult to see how the freight service of the New York and Pennsylvania Railway could be replaced with any other means of transportation except at added cost to the farmers and other shippers. Moreover, the railway could haul three times as much freight as at present at very little more expense per mile.

The business of the community is growing in a healthy manner. Dairying and potato production are expanding. The milk output is already 50,000 pounds a year. The inbound and outbound freight of the community is sure to increase. Much of the area tributary to the railway is in transition from lumbering to farming. There are many modern dairy farms only 40 years from the wilderness.

Neighborhood Solved Problem

IN SHORT there are many other matters worth studying in this community. But the most interesting feature of the situation is the frank recognition by the whole neighborhood of the absolute necessity for keeping the railway going and their determination to make up the deficit out of their own pockets until increased freight puts the railroad on a paying basis or until it becomes part of the forthcoming consolidation. Good team work did it, and nothing else could have tided the community over these perilous years of deficit.

America's Century-Old Family Firms

In Spite of Time and Change, a Number of American Family-Business Houses Have Carried On for More Than a Century

By MARK SULLIVAN

THAT A FIRM should remain in business a hundred years is extremely unusual. That it should remain in the same family continuously, descending from father to son in the male line, is so remarkable as to provoke—and to deserve—extraordinary interest.

It is rare enough for a business to remain in the same family for two generations. To remain for five or six generations is a distinction so extraordinary that the small group of American examples constitutes a unique sentimental honor-roll in our national life.

A rough statistical computation shows that only about 1/1000 of 1 per cent of the families living in America a hundred years ago succeeded in founding firms that have endured to this day in the possession of their descendants. Such a family must have extremely striking qualities.

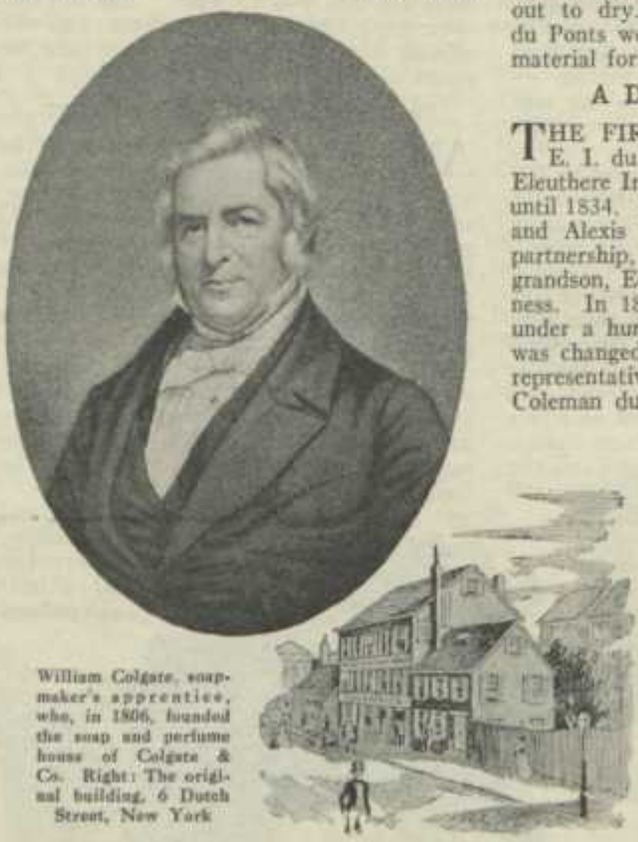
The outstanding example in America of the sustained vitality and tenacity of a single family in business, the outstanding example of continuity of existence accompanied by immense growth, is the du Pont family. Eighty-six other American firms have remained in the same family for a hundred years, but the du Pont family is the conspicuous one which has not only held onto its business but has grown and adapted itself, not merely in proportion to the growth of the country, but far beyond it.

The Largest Family Business

IT IS interesting that the one family business that has grown the most was engaged in an industry of which the chief market until very lately was the supply of munitions of war. That is interesting, but, I think, would bear out no other reflection. What is remarkable in this case is not the business but the family. It is fair to suppose the du Ponts would have expanded had they been in any other trade.

It was, as it happens, on exactly the first day of the last century, January 1, 1800, that Eleuthere Irenee du Pont arrived in America to engage in the manufacture of gunpowder. Because he came from Nemours, France, "de Nemours" was added to his name. It remained there for many years, but subsequently the family dropped it, although the phrase is still included in the name of the corporation which embodies the family business today.

The first du Pont, having got the necessary capital (chiefly in France), started the business in 1802 on the banks of the Brandywine Creek, a stream that flows into the Delaware River a few miles north of Wilmington, Delaware, and about 20 miles from Philadelphia. The small, one-story, thick-walled stone buildings—the nature of the business suggested the desirability of small buildings widely separated—have been for nearly a century a picturesque feature of the local landscape. The roofs were hinged at the eaves and unfastened at the peak, so that accidental explosions could spend their force upward. For generations the farmers for 20 miles around used to cut the young branches from the willow trees in the spring and bark them, and stack them out to dry. Later the wagons from the du Ponts would collect them as part of the material for powder.



William Colgate, soapmaker's apprentice, who, in 1806, founded the soap and perfume house of Colgate & Co. Right: The original building, 6 Dutch Street, New York

A Direct Line Succession

THE FIRST partnership was known as E. I. du Pont de Nemours & Company, Eleuthere Irenee du Pont was the head of it until 1834. His three sons, Alfred V., Henry, and Alexis Irenee, continued it, still as a partnership, until 1889. In that year a grandson, Eugene, became head of the business. In 1899, when the business was just under a hundred years old, the partnership was changed into a corporation. In 1902 a representative of the fourth generation, T. Coleman du Pont, became president of the company. In 1915 a cousin, Pierre, became president. In 1919 he was succeeded by Irenee du Pont, the present head.

From 1903 until 1915 the corporation was "E. I. du Pont de Nemours Powder Company"; later a broadening of the business was marked by a shortening of the name, the word "powder" was dropped, and it is now "E. I. du Pont de Nemours & Co."

During the World War the company's plants were enormously expanded to supply ammunition. The original buildings were abandoned, but many of the older ones still remain, as relics on the private estates of members of the family.

With the end of the war the company showed the tenacity and adaptiveness neces-

sary to such a family record by turning much of their plant to the manufacture of artificial leather, artificial silk, a substitute for ivory, and other products; and the accumulated capital was used to acquire interests in the automobile business in Michigan and elsewhere, and in a wide variety of industries all over the country, such that today the du Pont interests as a group are comparable to the United States Steel Corporation or any of the other great businesses of America.

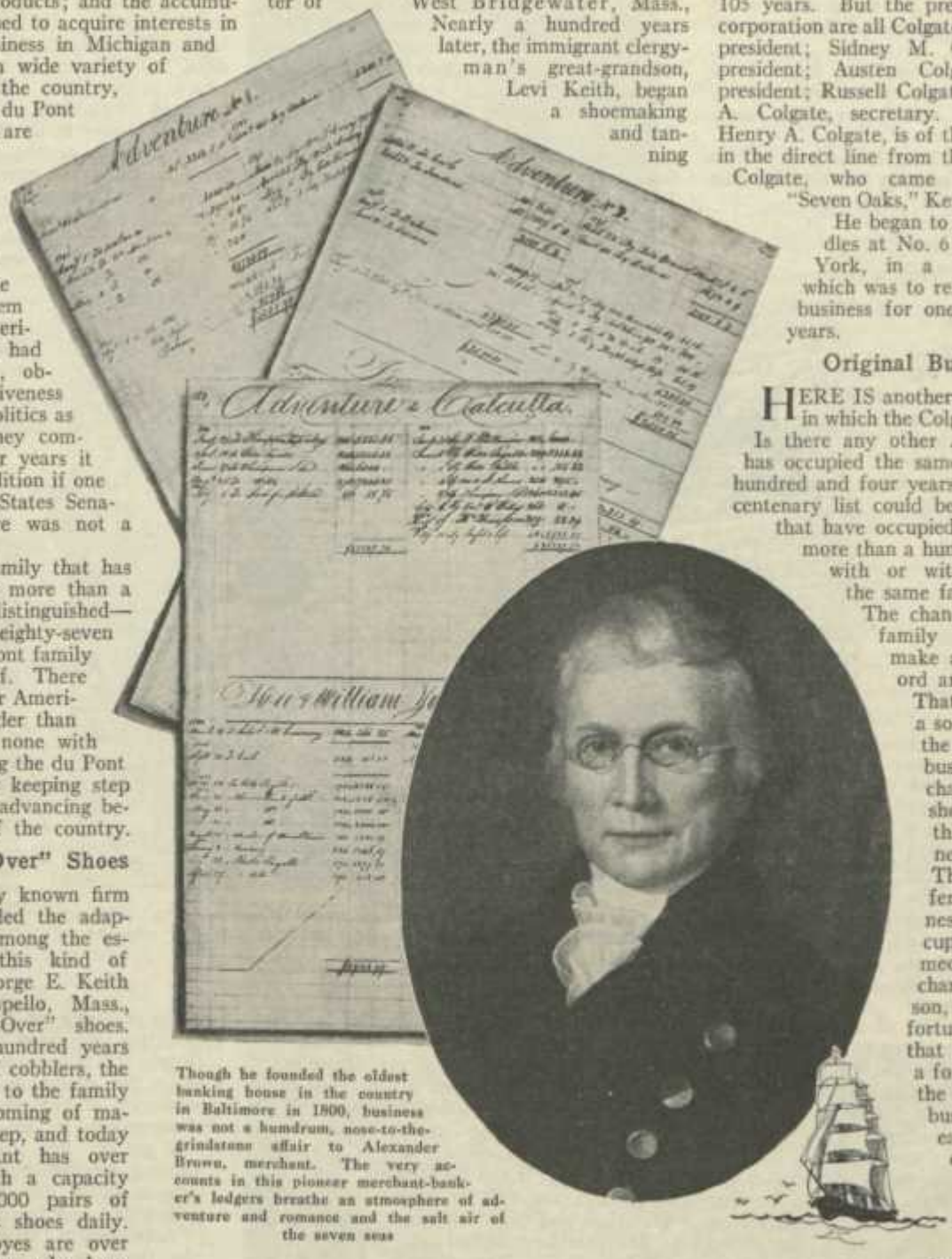
The record of the du Ponts makes them an unparalleled American family. They had to have vitality, obviously, and adaptiveness and tenacity. In politics as well as business they compose a dynasty; for years it has been a rare condition if one of the two United States Senators from Delaware was not a du Pont.

Any American family that has had a business for more than a hundred years is distinguished—there are only eighty-seven such. But the du Pont family is in a class by itself. There are forty-seven other American family firms older than the du Ponts, but none with anything approaching the du Pont record for not only keeping step with the times but advancing beyond the growth of the country.

Making "Walk-Over" Shoes

ANOTHER widely known firm that has included the adaptiveness which is among the essential traits for this kind of longevity is the George E. Keith Company, of Campello, Mass., makers of "Walk-Over" shoes. For more than a hundred years they were individual cobblers, the shop being attached to the family home. With the coming of machinery they kept step, and today the Walk-Over plant has over 5,000 employes with a capacity of more than 20,000 pairs of men's and women's shoes daily.

Among its employes are over 200 men and women who have worked continuously for the company for more than a quarter of a century. Here, again, is good will between employer and worker, another of the many, many traits necessary for a hundred years of business life. Chronologically the Keith record begins with the Rev. James Keith, who came from Scotland in 1662 to become the first minister of West Bridgewater, Mass., Nearly a hundred years later, the immigrant clergyman's great-grandson, Levi Keith, began a shoemaking and tanning business which passed successively to Benjamin Keith, to Ziba, and to Franklin. Up to 1856 the business was still in a cobbler's shop attached to the family home, but in that year Franklin Keith adapted himself to machinery and employed thirty people.



Though he founded the oldest banking house in the country in Baltimore in 1800, business was not a humdrum, nose-to-the-grindstone affair to Alexander Brown, merchant. The very accounts in this pioneer merchant-banker's ledgers breathe an atmosphere of adventure and romance and the salt air of the seven seas

Son Starts New Shoe Factory

FRANKLIN'S son, George Eldon Keith, worked in his father's factory but appears to have become ambitious and, with a capital of $1,000, established a factory of his own with ten workers. It remained an individual business until 1898, when it fell in with the trend of the times and became a corporation, although of the sort described as "close," in which a majority of the stock is held by members of the Keith family.

Another of the centenary firms widely known today, filling as large or a larger part in present-day American business as in past generations, is Colgate & Co., of New York, makers of soaps, perfumes, toilet articles and laundry products. It was incorporated in 1910, after being in business as a firm for 105 years. But the present officers of the corporation are all Colgates—Gilbert Colgate, president; Sidney M. Colgate, first vice-president; Austen Colgate, second vice-president; Russell Colgate, treasurer; Henry A. Colgate, secretary. The last named, Henry A. Colgate, is of the fourth generation in the direct line from the founder, William Colgate, who came to America from "Seven Oaks," Kent, England, in 1795. He began to make soap and candles at No. 6 Dutch Street, New York, in a two-story building, which was to remain the site of the business for one hundred and four years.

Original Building Used

HERE IS another kind of distinction, in which the Colgates may be unique. Is there any other American firm that has occupied the same premises for one-hundred and four years? Another kind of centenary list could be made up of firms that have occupied the same premises more than a hundred years, whether with or without ownership in the same family.

The chances against which a family must survive to make a hundred-year record are almost countless. That a man should have a son is a chance. That the son should have business ability is a chance. That the son should be adapted to that particular business is a chance. That he should prefer his father's business to some other occupation, like art, or medicine, or law, is a chance. And that a son, having inherited a fortune, or a business that can be turned into a fortune, should choose the management of the business above the easy-going enjoyment of the fortune, argues that unusualness of character that is most essential for such a family record. The very restlessness of American life has worked against the long continuance of American families in one business. We have been a nomad race. None of us stays put. Fathers have been eager that sons should do bigger things. The maker of ploughs has visioned his boy as lawyer and statesman. The storekeeper sees in the cub not a young storekeeper, but a college president or an editor.

The reverse is true. Many an American father has hoped that his son would carry on his business and been disappointed when the youngster wanted to be a poet or a scientist.

It works both ways, this American urge for change, but it certainly lessens the chances for longevity in business. The next time you sit at luncheon with a group of fellow-townsmen, ask each where he was born and see how many are natives of the community in which they earn their livings.

Aside from individual reasons, a multitude

IRISH LINENS,
LAWNS,
Sheetings,
Black and Brown Hollands,
Diapers,
Dowlas,
Flannels,
Wrought Nails,
do. Spikes.
Also, an Invoice of Tin, entitled to debenture.
For sale by
JOHN A. BROWN & Co.
april 7—2 1825 No. 16 Chesnut-street

An advertising "smash" of 1825, by the Philadelphia branch of the Alexander Brown merchant-banking house of Baltimore

of forces works against the continuation of any family in the same business. The whole theory of American life runs counter to it. The intense spirit of democracy which colored the very beginnings of American life was suspicious of everything hereditary. We were getting away from kings, from government by hereditary dynasties; and in that spirit we set ourselves against everything dynastic.

We put definite legal limitations on the capacity of a man to keep his fortune intact for future generations; made laws that secured the distribution of it within a definite and comparatively short time.

Sons and Taxes

WHEN Henry Ford dies, his son will have to pay 20 per cent of the value of the business to the Federal Government as an inheritance tax. Under last year's law, he would have had to pay 40 per cent. He will have to pay an additional inheritance tax to the state of Michigan, and yet others to other states in which branches are located.

If Henry Ford had died at the height of war-time taxation, his son, in the aggregate of inheritance taxes and yearly income taxes, would have had to pay close to the entire value of the business. If the son should happen to die within a year or two of the father, the double inheritance tax would be fatal. This hurdle of inheritance taxes will be a serious handicap to second or third generation businesses, to the passage of a business from generation to generation.

Then, too, there is the impermanence of social and trade customs. The old constantly gives way to the new, and with the change old needs disappear and new ones take their place. The stage coach was once supreme in land transportation in America but gave way before the railroad. That change must have wiped out a good many manufacturers of stage-coaches that might otherwise have survived as family businesses. A generation ago sound and apparently permanent businesses were founded on the horseshoe and the hairpin.

Bobbed hair and the automobile must have put upon several firms the need of fighting for their lives. It was a milepost in history when the United States Steel Corporation announced the discontinuation of its horseshoe plant. The coming of the radio put a strain on the makers of talking-machines.

A spirit that makes the inheritance of family business difficult, has colored all American life. We built a democracy in which ability at the bottom should have opportunity to rise. That is one of the slogans of American life. With it goes the corollary which makes it difficult for those at the top to retain their position. That spirit grows stronger every day. Because the handicaps against the inheritance of family business are increasing and growing more intense, one would be inclined to predict that the number of hundred-year-old businesses in America will diminish rather than increase, in spite of the growth of population. There are eighty-seven now. One doubts if there will be that many ten years from now.

The oldest banking firm in the United States is Alexander Brown and Sons of Baltimore. In the closing days of the eighteenth century, Alexander Brown, the founder, arrived in Baltimore from Ireland. John Adams was then President of the United States. George Washington had but recently died. Nowhere in the world was there as yet a single mile of steam railroad. Travel by water was still practically what it had been for thousands of years—wooden hulls propelled by the wind. There was as yet no gas light, and lighting by electricity was still almost a century away. Napoleon Bonaparte had begun his meteoric career but was still far from Waterloo and St. Helena.

Abraham Lincoln had not yet been born. During the life of this bank twenty-nine Presidents have occupied the White House.



Many picturesque army and navy officers have been outfitted by Wm. H. Horstmann & Co., military outfitters and clothiers, Philadelphia. The business was started in 1816, and many relics have been preserved

Bank Opens In 1800

THE bank opened its doors in 1800. In 1834, the founder, Alexander Brown, died and was succeeded by his second son, George Brown, who remained as the directing head until his death in 1859.

George Brown was followed by his son, George S. Brown, who in turn was followed, on his death in 1890, by his son, Alexander Brown. On January 1, 1924, Alexander Brown retired from the bank, transferring his interests to his son-in-law, B. H. Griswold, Jr.

Some of these centenary businesses are individual stores. In Gwynedd, Pennsylvania, on what used to be known as the "Great Road," leading from Philadelphia to the German Settlements on the Perkiomen Creek, is an old store, now dwindled, since 1908, to merely a country post office, which, as post office and country store, goes back to 1794, with the building and the business always in the Jenkins family. The present owner of the building, Walter H. Jenkins, is the great-grandson of the founder.

On King Street, in Lancaster, Pennsylvania, is a drug store conducted by the Heinitsh family. It was founded in 1780, a block and a half away from its present site, as a general merchandise shop. In 1782 medicines imported from Holland and London were added to the stock. It descended from father to son, from son to brother, then to the brother's son, and finally to the widow of the last Heinitsh.

Chain Store Effect

THE preservation of this type of individual business has been made difficult by the coming of the chain store and the chain drug store. A good many old family shops must have succumbed to the Atlantic and Pacific Company, which now has more than 15,000 retail stores, to the Woolworth's, the Liggett's, and the other chains.

The economic question involved in the present flowering of immense combinations goes to the very heart of the organization of society. If it is a sound economic philosophy, if it is the natural accompaniment of the annihilation of time and distance by science and invention—in that event, one supposes, it will go on. But one can hardly help reflecting on the human and sentimental aspects of it, the dramas acted out by individuals and families.

According to the accepted philosophy of the times, it is heresy to question the economic appeal of the more efficient distribution of goods. But man does not live by bread alone, nor by any other kind of goods alone. The spirit of these old family businesses, the tenacity that has survived the crisis of a hundred years—wars, commercial panics; the pride in family tradition, the



A loving cup ordered by Lafayette for a friend at whose home he had visited. It was made by Samuel Kirk and Son, Baltimore, in 1824. Above: The Market Street shop where the firm was founded in 1815

willingness to make individual sacrifices for the family name; the maintenance of good repute with customers for generation after generation—the loyalty of customers who stick to the old firm because they knew the father and prized his fair dealing; the courage to meet competition by immense units of corporate organization—all that claims as strong a tribute to these old family firms as any aspect of American life provides.

EDITOR'S NOTE: *As related in Mr. Sullivan's article in last month's* NATION'S BUSINESS, *the "Association of Centenary Firms and Corporations of the United States" is limited to those that have been in the hands of the same family, descending through the male line, for more than a hundred years. The complete list, with the date of the founding of each firm, is here presented. Firms marked (*) have gone out of existence since the Association was started.*

PHILADELPHIA

The Francis Perot's Son's Malting Co..... 1687
J. E. Rhoads & Sons, leather..... 1702
*James M. Willcox Paper Co..... 1718
Christopher Sower Co., publishers..... 1738
R. A. and J. J. Williams Co., lumber..... 1751
*Millbourne Flour Mills, flour..... 1751
*W. Butcher's Sons, provisions..... 1760
Wetherill & Bros., white lead..... 1762
*Thomas Williams & Co., lumber..... 1768
Joh T. Pugh, augers..... 1774
W. H. & F. Jordan, Jr., chemicals and oils 1778
*W. P. Garrett & Sons, tobacco..... 1782
MacAllister & Co..... 1782
*Henry C. Baird & Co., publishers..... 1785
Nathan Trotter & Co., tin..... 1790
Shryock Bros..... 1790
Harrison Bros. & Co., white lead..... 1793
J. Gibson McIlvain & Co., lumber..... 1798
Brown Bros. & Co., bankers..... 1800
R. D. Wood & Co., iron merchants..... 1803
Edward W. Woolman, milk..... 1804
Samuel T. Freeman & Co., auctioneers..... 1805
George D. Wetherill & Co., white lead..... 1807
H. M. & C. B. Siner..... 1807
William Whitaker & Sons..... 1809
*W. S. Hansell & Sons, harness..... 1810
Frishmuth Bro. & Co., tobacco..... 1810
Geo. C. Child & Son, jewelers..... 1810
N. & G. Taylor Co., tinplate..... 1810
Edw. K. Tryon Co., firearms..... 1811
Horace T. Potts & Co., iron..... 1813
Wm. H. Hortsmann & Co., woolens..... 1816
Wm. Barnett & Sons, laundry supplies..... 1817
Riggs & Bros., nautical supplies..... 1818
H. W. Butterworth & Son, bleachers..... 1820
Hastings & Co..... 1820
Horricks & Bro., dye works..... 1821
Douredoure Bros., oils..... 1822
Edwin A. Smith, builders supplies..... 1822
Bullock Bros., wool..... 1822
John B. Ellison & Son, textiles..... 1823
Powers-Weightman-Rosengarten, chemists. 1823

NEW YORK

Abeel Bros., iron..... 1765
Pierson & Co., iron merchants..... 1787
Schieffelin & Co., chemists..... 1794
Cruikshank Co., real estate..... 1794
J. M. Thorburn & Co., seeds..... 1802
Colgate & Co., toilet articles..... 1806
Cowperthwaite & Son..... 1807
Seth Thomas Clock Co..... 1813
Browning, King & Co., clothiers..... 1821
Bronx Co., cotton goods..... 1822

BALTIMORE

*Patapsco Flouring Mills..... 1771
Alex. Brown & Sons, bankers..... 1800
G. T. Sadtler & Sons, jewelers..... 1800
Lucas Bros., publishers..... 1804
H. R. Eisenbrandt Sons, musical goods.. 1811
Samuel Kirk & Son Co., jewelers..... 1815
The Deford Co., tanners..... 1820
Wm. E. Hooper Sons Co., cotton cloth... 1823

WILMINGTON, DEL.

The Lea Milling Co., flour..... 1742
Geo. W. Bush & Sons Co., transportation 1774



Garrett Abeel, who in 1765 founded the iron business now carried on as Abeel Bros., New York. He was a retailer as well as a manufacturer, making a line of hardware which he sold. The Revolutionary War interrupted his business for a time, while he served as a captain in the Continental Army

Chas. Warner Co., transportation..... 1794
E. I. du Pont de Nemours Powder Co... 1802

LANCASTER, PENNA.

Steinman Hardware Co..... 1744
H. C. Demuth, tobacco..... 1770
Chas. A. Heinitsh, druggist..... 1780
Hager & Bro., department store..... 1821

BOSTON, MASS.

Ames Shovel & Tool Co..... 1773
William Bond & Son, chronometers..... 1788
*W. & A. Bacon & Co., department store 1810

CAMPELLO, MASS.

Geo. E. Keith Co., shoes..... 1758

CAMBRIDGE, MASS.

A. H. Hews & Co., earthenware..... 1765

MORRISVILLE, PENNA.

Wm. H. Moon Co., nurseryman..... 1767

ALBANY, N. Y.

Chas. Newman & Co., wool..... 1768

GLASSBORO, N. J.

Whitney Glass Works..... 1775

BRISTOL, PENNA.

D. Landreth Seed Co..... 1784

PROVIDENCE, R. I.

The Congdon & Carpenter Co., iron..... 1790

NEW HAVEN, CONN.

*Leonard Bostwick, leathers..... 1794

GWYNEDD, PENNA.

*Jenkins' Store..... 1794

WILKES-BARRE, PENNA.

Miner-Hillard Milling Co..... 1795

EAST WALPOLE, MASS.

Bird & Son, paper..... 1795

PITTSBURGH, PENNA.

Wm. B. Scaife & Sons Co., structural iron 1802

ORANGE, N. J.

S. & C. A. Lindsley, coal..... 1806

YORK, PENNA.

P. A. & S. Small Co., iron..... 1809

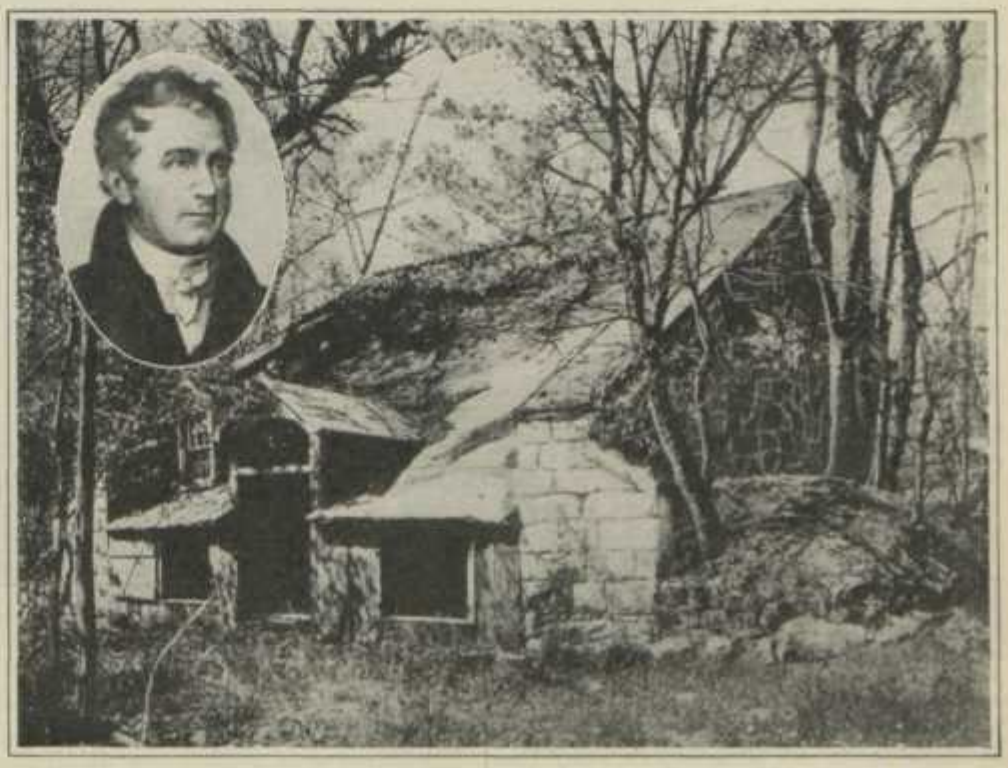
CINCINNATI, OHIO.

F. H. Lawson & Co., galvanized products 1816

ALEXANDRIA, VA.

C. C. Smoot & Son, tanners..... 1820

Since Mr. Sullivan's first article appeared, George Slate's Sons, Williamport, Penna., manufacturers of leather belting, advises of the founding of that house in 1813, and the Gifford-Wood Co., machinery manufacturers, Hudson, N. Y., reports the founding of that firm in 1814 by Elihu Gifford. Mr. Benedict Gifford, great-grandson of the founder, is now president. B. F. Avery & Sons, farm implements, Louisville, Ky., also records more than a century of existence with direct descendants now in control.



The first powder mill of the du Pont Company, near Wilmington, Del. Oval insert: E. I. du Pont de Nemours, first president of the company. The firm was founded in 1802



PHOTOS BY THE AUTHOR

The Profit Side of Farming

By W. H. BRENTON

An Iowa Corn-belt Farmer-banker

DOES farming pay?

This question has been widely discussed during the past few years. Government and business are so dependent upon farming that a reasonable profit is essential. Many people doubt if farming ever did, or ever will pay. Those ideas are natural after a deflation period such as followed 1920. It is true that farmers have passed through some hard years, but I believe all business men have passed through the same hardships. If any business had been unaffected by those unprofitable years, so many would have gone into it that it would have soon become unprofitable.

This was the case with farming during the several years prior to 1920. It was so profitable it became not only farming, but speculation. Many purchased land with no thought of its producing power, but always with the hope that it might be sold for more than the cost price. Land was purchased largely with borrowed money. The 1920 slump in prices came. The returns from the land would not pay the interest on the money borrowed and foreclosures followed which meant losses of equities. Finally we have come to realize that the land has no speculative value.

What Rate of Earning?

ONE of the first things to consider in a business is the rate of interest it will pay on the investment. With this must also be considered the safety of the investment. We have always considered farming a safe investment; therefore, the rate of interest paid cannot be large.

We have operated during the last 25-year period practically 5,000 acres of land, all in Dallas County, Iowa, with the exception of several hundred acres in Polk County, Iowa, adjoining Dallas County. This article therefore refers to Iowa and corn belt conditions. Of our land 1,500 acres is pasture and is not suitable for cultivation. The balance, 2,500 acres, varies from excellent farm land to land of poorer quality, although all is in a high state of productivity. We farm our land mostly by hired labor. The land is operated from eleven sets of improvements.

Since in a business profits must first be considered, I wish to analyze our farming operations for the last twenty-five years from the standpoint of profits. The following figures have been compiled from our farm books which have been accurately kept for forty-seven years:

1900	$32,625.29
1901	45,480.86
1902	33,339.54
1903	7,921.93
1904	34,751.63
1905	53,138.65
1906	43,263.57
1907	42,050.22
1908	48,251.44
1909	38,105.58
1910	15,858.60
1911	36,251.43
1912	43,521.72
1913	21,204.25
1914	38,043.18
1915	37,795.12
1916	42,000.35
1917	88,317.90
1918	91,093.85
1919	85,333.49
1920	21,582.33
1921	3,209.93
1922	64,114.29
1923	30,224.30
1924	37,661.57

From the above figures I compiled the table below, showing the percentage received by us on our investment.

The prices for each five-year period were determined by consulting farmers who have lived in this community and who have been acquainted with land here during the entire period. These men were positive that land similar to ours could have been purchased for the average price shown in the table.

Has Its "Ups and Downs"

THE FARM books for each year show the actual sales, purchases and expenses in detail. They also include the invoice of property on hand at the end of each year. The profits have been figured upon the inventory basis. I have had a very small part in the management of our farms for this period and the credit for their management is due my father, Chas R. Brenton, who died September 1, 1924.

The first five-year period from 1900–1904 and the second period from 1905–1909 paid a handsome profit. Those years were profitable for cattle feeding and we fed heavily, fattening at least one thousand cattle and one thousand head of hogs each year. The third five-year period from 1910 to 1914 was not so profitable although the profit can be considered very reasonable. The fourth period from 1915–1919 shows a most satisfactory profit. Among those years it will be remembered were the two boom years before the period of deflation in 1920.

From these figures and the figures of the twenty-five-year period which I have shown, it will be noted that the period from 1920 to 1924 has paid the lowest rate on the investment. The last few years have been hard on the farmer, and many have been ruined finan-

Five year period	Average value land for periods per acre	Profits for 5-year periods	Approximate number acres	Total average value land for 5-year periods	Interest received on investment for each 5-year period
1900–1904	$60	$154,119.25	5,000	$300,000.00	10.27%
1905–1909	75	204,809.46	5,000	375,000.00	10.92%
1910–1914	125	154,879.18	5,000	625,000.00	4.95%
1915–1919	200	344,540.71	5,000	1,000,000.00	6.89%
1920–1924	175	156,792.42	5,000	875,000.00	3.58%



PHOTO BY KABEL, DAYTON, OHIO

Is farming just a business? Is it a mode of living, or, is it a combination of both? The latter is the answer indicated by Mr. Brenton, whose story of actual achievements in farming in Iowa brings out the fact that the business man does not expect his home, his car, or his golf to pay him dividends. These are outside values upon which business profits are not to be predicated. There's yet another phase. Does not the youngster brought up in the freedom of the farm enjoy advantages denied the average city-bred lad—advantages that while they may not be measurable in dollars and cents, are none the less very real and tangible values?

cially, but that has been true of men in every line of business.

The blame cannot be placed on farming alone, but must be assigned to speculation. When a man buys a farm and pays a very small percentage down, giving a mortgage for the balance, it is not farming that brings disaster to that man, it is speculation. The above figures will bear me out that farming is not a poor investment over a period of years. There are good years and bad years, and a business cannot be judged by the profits of any one certain period but must be studied over a long period in order to determine its real producing power.

The values given the land for the twenty-five-year period average $127 per acre. The total amount earned in the twenty-five-year period was $1,015,141.02, or an average earning of $40,605.64. Using that average annual earning and the average price of the land of the period, we have received 6.39 per cent upon our investment.

Profit Based on Land Value

IF THE profit upon the investment is figured from the value of the land in its first period, which was $60 per acre, the per cent paid upon the investment would be 13.46 per cent. The profit might be figured in still another way by using the average value of the land in the last period, which is $175. This would show a rate on the investment of 4.64 per cent. The last methods, however, are incorrect ways of accounting.

The profits I have shown for each year do not include the sale of any land but are composed entirely from the sale of livestock fed on the land. We raise practically all the grain which is fed our livestock. In determining the profits for our farms, money spent on new improvements is taken into account. Our farms are in much better condition at the end of the twenty-five-year period than they were at the beginning. Much money was spent for tiling which has also been included as an expense.

It must be realized that we cannot operate as economically and thoroughly as many good farmers, because we have to hire all of our labor. A good farmer doing his own farm work can make many small things yield a good income which are unprofitable for us.

Many farmers with fine improvements on their farms make the same mistake when figuring the per cent of profit paid by the land and wonder why their operations are so unprofitable. We all need homes in which to live. They are necessary and an investment in a way; still the home should not be considered an investment in figuring farming profits. Many farmers have a great deal more money in their buildings than in their land, but their profits should be figured upon the value of their farm land with only the minimum of improvements necessary.

I am not trying to show that a farmer should be without fine buildings and every improvement he can afford, but he should not include such excess building values in his farm investment and figure it to pay him interest. A city man in business must have his home in addition to his business but he does not expect it to pay him interest, for it is a place to live while operating the business.

I bring out this point because I have seen many men try to make their unusually fine homes and improvements pay them interest. The same point holds true in respect to an excessive amount of machinery and automobiles.

I think that farmers in order to be successful must personally make a living by their own efforts. It has been my observation that a great many farmers with only a small equity in their business are attempting to live on a scale that is not justified by the capital invested. In other words, they must consider themselves workers, supporting their families by their own efforts, in order to give their investments a chance to earn a reasonable dividend.

The income tax has done a great amount of good for farmers by making them keep records. Many farmers would disagree with me on this point for figures vex many people. However, one who runs a business must keep some record of his yields, profits, expenditures, sales and other transactions.

After inquiring into the successes and failures of many farmers I have reached this conclusion: Successful farmers always use a good system of crop rotation and follow sensible and approved methods of handling their livestock. Those methods they follow as nearly as possible, year after year. In some years an approved system will meet with loss but that is not an unusual occurrence in all kinds of business. I believe, however, that farmers with such sound methods will be successful taking an average of several years.

Many farmers change their methods each year, trying to catch the high markets and they usually meet with disappointment, but good farmers agree that good methods and rotations should be selected and then adhered to year after year.

Farmers Must Concentrate

MOST farmers should stick to their own business, learn it well and leave other occupations alone. Men frequently become engaged in so many lines of business that they can never master one of them. Farming must be studied and understood thoroughly for it is a difficult business, even when managed correctly. Many people are not capable of farming and many are not fitted for it. It is no longer believed that a man failing in other business can take up farming and succeed.

Experiment stations are maintained in connection with agricultural colleges in nearly all states so farmers may learn better and more profitable methods of farming. Farmers may also take short courses which are offered by those colleges annually. Crop reports and estimates are compiled by the State and Federal Departments of Agriculture and farmers may secure these reports readily and without cost. Closer to the farmer than all these is the County Farm Bureau which is partly supported by public funds.

All these advantages are placed at the disposal of the farmer so he may learn the best methods of farming. The farmer then had to work out his methods alone and that meant many years of experiments and failures before the best practices were determined. All good business studies conditions and new methods. Farming must do the same in order to learn how to operate more efficiently.

The farmer cannot look for the most of his assistance from legislation. Legislation can better many conditions but in the main part we must work out our own salvation by learning to farm better and to guard more closely our financial conditions. We shall have bad years, as does all business, but we cannot expect legislation to remove them. I believe that all business has its hardships and that farming has no more than its share. I see no reason why the government should guarantee the farmer a profit without doing the same for other business, which would not be sensible or practical. Very many politicians try to popularize themselves by telling the farmer of his unfortunate condition and by suggesting forms of legislation which will cure all his troubles. Many take those politicians seriously and vote for anyone who may offer a scheme to cure their ills.

Good Business Helps Farmer

BUSINESS conditions have been slowly improving of recent years and with this comes improvement in farming conditions. Farmers are learning that their conditions are not worse than those of other people, and we are now working toward a period of saving and contentment.

There is no time better than the present for a farmer who is out of debt to purchase farm land, providing he is in financial condition to do so. There is without doubt a great deal of land that may be purchased at bargain prices and so it will pay a good interest on the money invested. Undoubtedly farming will look up in the next few years, but we cannot look for it always to be prosperous. After a period of years, we will, no doubt, have another period of deflation.

Many farmers are discontented with conditions and decide that the city is a more desirable place to live than the country. In the past few years there has been a movement of our population from the farms to the cities. Many people who have made the change see their mistake. The average farm is a very satisfactory place to live and living conditions are better than in the average city home. I have heard it said upon good authority that one-third of the people in the city are reasonably prosperous; one-third barely exist; and the remaining one-third are complete failures. Records in the United States show that there were 19,712 business failures in United States in 1924, and that is more, I believe, than there were on farms.

I believe that the failure of the majority of farmers can be attributed to one of four causes: speculation; heavy indebtedness; poor farming methods and practices; extravagant living.

Failure may not be due to any one of the four, but to a combination of them. The causes are evident and have been discussed in this article.

I could cite many instances to prove that farming is a good investment. There are few better businesses than farming but a farm must be managed. It will not run itself. A good corn-belt farmer with a clear or lightly incumbered farm, practising sound methods, is bound to succeed. There are few businesses that can boast of such a record.



A Ferguson Idea may make that "*too-expensive*" building possible at once



A FERGUSON idea built a whole new plant for the Crooks-Ditmar Company, Williamsport, Pa., at an average cost of $1.40 per square foot last year.

Another Ferguson idea made it possible for Showers Brothers, Burlington, Iowa, to put twice as much productive one-story floor space on their property as their plans originally contemplated.



Still another strengthened an old concrete building for the General Electric Company, Schenectady, and did away with the necessity for putting up a new building.

It wasn't a sharp pencil alone that saved money for these concerns. It was keen wits—engineering knowledge—construction experience.

The H. K. Ferguson Company, a national organization that specializes in the design and construction of industrial buildings—for years has been making possible projects that other estimates have put beyond the bounds of reason.

Ferguson ideas—Ferguson men—Ferguson equipment—all are coordinated to accomplish difficult tasks at reasonable cost.

Moreover, every Ferguson construction job is backed by a written, binding guarantee that covers correctness of design, actual delivery date, total cost and the general satisfaction of the owner in the completed structure.



In other words, H. K. Ferguson and his associates must make good!

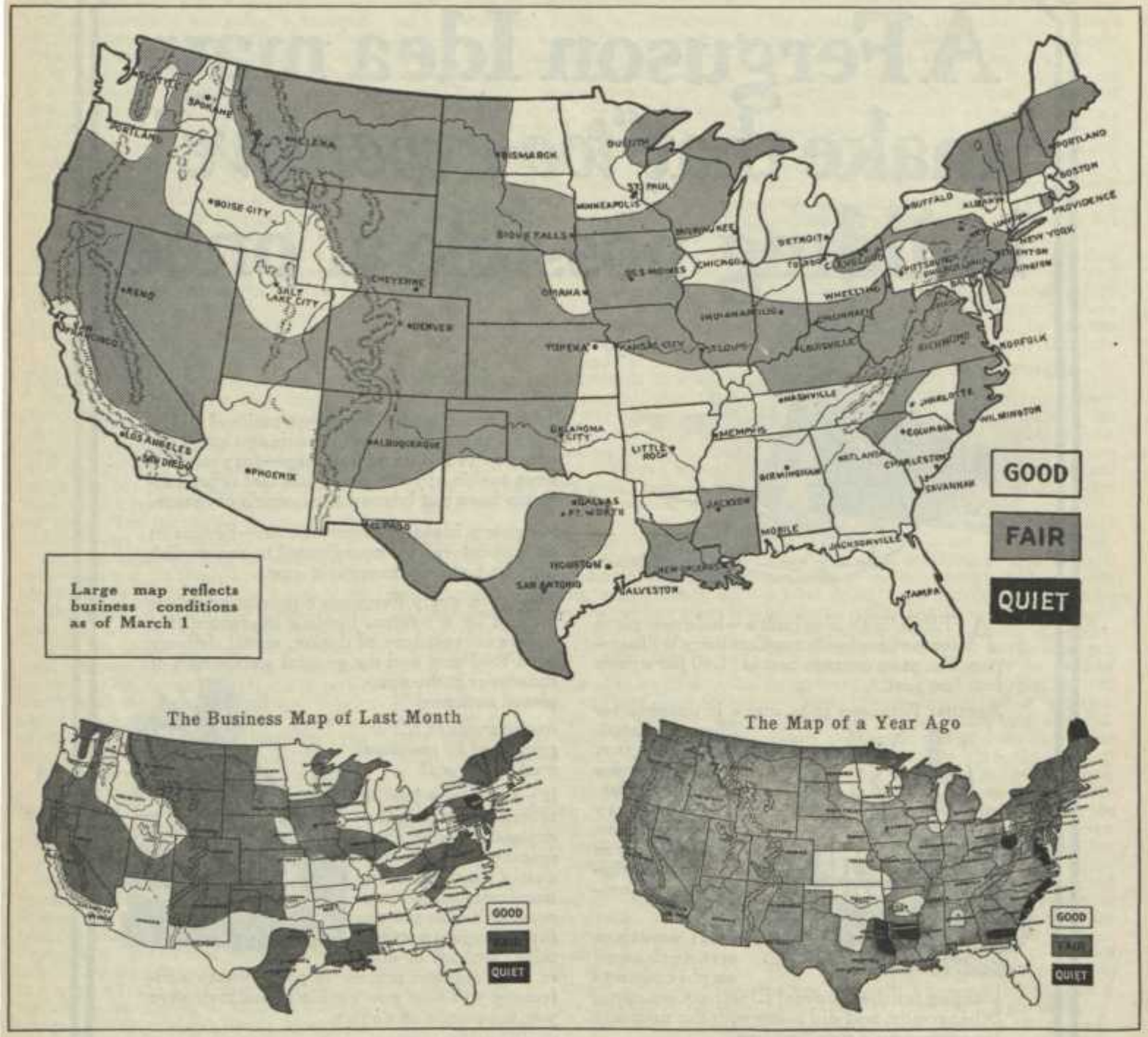
If you have a job in prospect that looks too expensive—one that seems too difficult and costly from an engineering standpoint, wire, write or phone for a Ferguson executive. Or, call at one of the Ferguson offices. A preliminary conference will cost you nothing and may save you thousands of dollars.

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THE H. K. FERGUSON CO.
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GUARANTEED BUILDINGS

The Map of the Nation's Business



By FRANK GREENE

Managing Editor, "Bradstreets"

THE STOCK market occupied the most prominent position in the country's business news in February and early March. Trading was comparatively dull in the early weeks of February with prices well sustained, but the last week of the month saw a downward movement of values and some increase in the daily turnover.

These movements, accelerated by short-selling pressure and the forced liquidation of several speculative pools, culminated, early in March, in a huge wave of selling, with the turnover on one day totaling 3,873,700 shares, a record for all time, with declines ranging as high as 80 points on certain issues. The average decline in railroad securities was about 5 points, while industrials fell off about 10 points.

On subsequent rallies, some shares regained a large part of the ground lost. Bonds shared in the liquidation to a certain extent, the "Liberties" showing strength, as compared with the industrial and utility issues.

This whirlwind of selling, which exceeded, in the number of shares changing hands, even that of the Northern Pacific panic of May 9, 1901, was apparently brought about by conditions existing within the market itself rather than by any adverse developments in trade or industry. The refusal of the Interstate Commerce Commission to sanction the Nickel Plate merger did, of course, assist in the decline, but this news was not published until the heavy selling was well under way, although there were rumors that a "leak" had permitted the news to reach some interested parties sooner than the general public.

It seems safe to say, however, that the break in stocks represented a correction of unhealthy conditions in the security market, and not a reflection of general business conditions. This view appears to be confirmed by the strong recoveries made by the sounder issues after the selling movement had spent itself. Two developments of the month might have been expected to provide materials for bullish propaganda. These

These 100,000-Mile Studebakers

Prove conclusively that Studebaker cars give years longer life and are more economical in the long run —due to Unit-Built construction.

Partial list of owners who have driven their Studebaker cars over 100,000 miles

Name	Mileage
Gen. Seleaffer, Tupton, Pa.	110,278
John Winquist, Salamanca, N. Y.	102,321
C. J. Fiersen, Salamanca, N. Y.	121,280
Bass Taxi, Salamanca, N. Y.	103,222
David B. Abrams, Northville, N. Y.	108,000
Chas. Iandera, Johnstown, N. Y.	117,000
Empire Co., Gloversville, N. Y.	109,000
Henry Lerenz, Pipestone, Minn.	115,000
Bert Flynn, Bloomingdale, N. J.	135,000
F. h. McCord, Dexter, Me.	150,000
County of Kern, Bakersfield, Calif.	138,000
Anderson Stage Co., Mojave, Calif.	100,000
Geo. W. Rickhill, Bisbee, Ariz.	150,000
F. E. Spicer, Dodge City, Kans.	100,000
Frank Hessman, Dodge City, Kans.	100,000
Lee Spence, Monmouth, Ill.	126,000
W. H. Wilhite, Pasadena, Calif.	300,000
Thos. L. Medenick, Pasadena, Calif.	225,000
H. R. Taylor, Pasadena, Calif.	110,360
Walter Mushrush, Pasadena, Calif.	125,000
Police Dept., Pasadena, Calif.	152,000
A. W. Shaffer, Pasadena, Calif.	110,000
F. H. Whitney, Buffalo, N. Y.	180,000
Dr. Emanuel Milnor, N. D.	100,000
Albert G. Dehnel, Ritzville, Wash.	140,000
V. B. Bennington, Ritzville, Wash.	130,000
J. A. Adams, Ritzville, Wash.	129,000
Wm. Moore, Ontario, Calif.	105,000
J. Lawrence, Port Jefferson, N. Y.	146,000
E. A. Carper, Malden, W. Va.	101,284
H. D. Ness, Smethport, Pa.	155,000
Paul Bartlett, 343 Saylor, Atlas, Pa.	127,000
T. F. Tompkins, New Brighton, N. Y.	100,000
Dawson Garage, Pueblo, Colo.	102,000
Richardson & Smith, Devils Lake, N. D.	100,000
Alex Neman, Superior, Wis.	135,184
W. L. Brown, Waterville, Maine	105,000
C. W. Evans, Waterville, Me.	100,000
Sharon Transportation Co., Charlotte, Mich.	130,000
John Bower, Bedford, Va.	120,000
C. E. Pickens, Sidney, Ohio	210,000
F. O. Flours, Sidney, Ohio	110,000
L. J. Robeson, Buena Park, Calif.	240,792
F. J. Paul, Orange, Calif.	170,000
C. L. Beach, Bucyrus, Ohio	235,400
Jerome Fisher, Bucyrus, Ohio	225,000
Ray Linn, Bucyrus, Ohio	120,105
Howell Davis, Westminster, Md.	125,000
John Henshaw, Dobbs Ferry, N. Y.	241,000
J. E. Baker, Dobbs Ferry, N. Y.	180,641
George Ives, Gouverneur, N. Y.	110,000
Snow Valley Bus Co., N. Paint St., Chillicothe, Ohio	100,000
Cannon Ball Transportation Co., Portsmouth, Ohio	100,000
North Iowa Motor Co., Mason City, Iowa	257,296
Bill Taxi Co., Mason City, Iowa	183,284
Merchants Garling Oil, Lockport, N. Y.	125,500
Frank Reynolds, Lockport, N. Y.	115,000
Dan Wood, Clark, S. D.	150,000
Kirchoff-Hoff Auto Co., Stuttgart, Ark.	125,268
Dan Wood, Clark, S. D.	150,000
Oscar Heugham, Clark S. D.	100,000
Fred Schlegel, Clark, S. D.	100,000
Hans Thuds, Mesa, Ariz.	131,000
Otto Neuman, Baltimore, Md.	144,000
Jack Brady, Baltimore, Md.	132,000
Fred H. Carlson, Creighton, Neb.	135,992
Harry Decker, Rums Lake, N. Y.	135,808
Harry Smedley, New Haven, Conn.	100,000
R. E. Gordon, Indianapolis, Ind.	130,000
R. E. Francis, Indianapolis, Ind.	120,000
Webb Greer, Houston, Texas	100,000
Webb Greer, Houston, Texas	100,000
Webb Greer, Houston, Texas	100,000
A. E. Pierce, Houston, Texas	150,000
H. K. Wheeler, Holyoke, Mass.	115,000
John Shea, Holyoke, Mass.	100,000
Chas. Koegel & Sons, Holyoke, Mass.	100,000
Dr. J. C. F. Hutton, Miami, Fla.	100,000
M. Snyder, Miami, Fla.	300,000
Ft. Madison Fire Car, Ft. Madison, Ia.	140,000
John Snyder, Joplin, Mo.	200,000
John Snyder, Joplin, Mo.	180,000
John Snyder, Joplin, Mo.	150,000
D. W. Weir, Ashland, Ohio	250,000
R. A. Exey, Ashland, Ohio	100,000
W. D. Fry, Ashland, Ohio	100,000
Stillwell Auto Livery, Los Angeles, Calif.	100,000
Stillwell Auto Livery, Los Angeles, Calif.	100,000
F. K. Eaton, Hollywood, Calif.	100,000
Bogren-Robinson Co., Petoskey, Mich.	118,346
Ed. Oberg, Merrill, Wis.	118,491
E. J. Turtellier, Benton Harbor, Mich.	165,000
Joseph Scott, Rhinebeck, N. Y.	200,000
Chas. Covert, Beamn, N. Y.	150,000
Jack Lansford, Greenville, Tex.	150,000
H. A. Funk, Winslow, Ariz.	110,248
Russell Freer, Highland, N. Y.	200,000
William McGall, N. Conway, N. H.	125,642
Delmore Smith, N. Conway, N. H.	111,227
Barnes Bros., Valparaiso, Ind.	110,000
Eugene Hartkopp, Austin, Tex.	134,527
A. E. Lawrence, Austin, Tex.	108,000
Mrs. F. Schvedel, Austin, Tex.	115,000
A. P. Gardner, Frankfort, Ky.	235,000
Fred H. Carlson, Creighton, Neb.	119,465
Harry Brusk, Sterling, Colo.	160,000
W. E. Hemming, Sterling, Colo.	125,000
Samuel Brown, Uniontown, Pa.	125,000
M. P. Sypal, Brainard, Nebr.	100,000
S. B. Baker, Red Star Bus Line, Dunkirk, Ohio	150,000
L. Bamberger, Yuma, Ariz.	125,000
J. E. McGregor, Yuma, Ariz.	100,000
L. Rock, Ada, Okla.	100,000
Bisbee-Tucson Stage, Tucson, Ariz.	500,000
Bisbee-Tucson Stage, Tucson, Ariz.	275,000
H. C. Kinnison, Tucson, Ariz.	300,000
Heber White, Buffalo, Mo.	142,000
E. T. Williams, Springfield, Mo.	112,000
Dr. L. J. Stetauer, Chicago, Ill.	120,000
Chas. Carley, Savanna, Ill.	100,000
David Gillogly, Savanna, Ill.	100,000
Dan Dauphin, Savanna, Ill.	100,000
J. Hintwell, Chelsea, Mass.	130,000
Ralph Pierce, Melrose, Mass.	125,000
Oliver Mitchell, Boston, Mass.	150,000
Joe McGlory, Highland Park, Ill.	115,000
Miss Russell, Highland Park, Ill.	106,000
Mrs. J. Sheahan, Highland Park, Ill.	103,000
E. A. Bullock, DeLand, Fla.	102,000
I. C. & E. Traction Co., Springfield, Ohio	100,000
Red Star Bus Co., Springfield Ohio	360,000
Pendergroft Bus Line, Chapel Hill, N. C.	100,000
Steubenville-Cairo Trans. Co., Steubenville, Ohio	160,000
Jefferson County, Steubenville, Ohio	108,000
Cadiz Bus Line, Co., Cadiz, Ohio	135,000
Bunker Hill Trans. Co. Waterbury Conn,	240,000
M. Hengevelt, Miami, Fla.	250,000
E. G. Palmatier, Miami, Fla.	100,000
Walter H. Goodrich, College St., New Haven, Conn.	128,000
Connaughton-Wain Co., Old Monroe, Mo.	102,000
Rus. Heycock, Olympia, Wash.	175,197
White Line, Lewiston, Me.	101,000
White Line, Lewiston, Me.	140,000
R. B. Whitney, Lewiston, Me.	100,000
Anton Anderson, Mentevideo, Minn.	220,000
Pete Stalmer, Morris, Miss.	125,074
Al. Howard, Salina, Kans.	125,000
Al. Jennings, Salina, Kans.	102,000
Youngstown Southern Trans. Co., Columbiana, Ohio	110,000
Youngstown Southern Trans. Co., Columbiana, Ohio	106,000
Mat Stoeber, Glens Falls, N. Y.	220,237
Allas Gerlock, Memphis, Texas	124,000
H. Anderson, Jamestown, N. Y.	175,000
R. B. Neale, Denton, Texas	200,000
R. B. Neale, Denton, Texas	100,000
L. Laegler, Cleveland, Ohio	116,000
Here Ice Cream Co., Norfolk, Va	102,000
Frank M. Emerick, Johnstown, P.	130,000
Yellow Cab Co., Benton Harbor, Mich.	100,000
Yellow Cab Co., Benton Harbor, Mich.	100,000
R. Gerald O'Daniel, Detroit, Mich.	146,586
A. E. Chasm, Detroit, Mich.	200,000
J. W. Colburn, San Antonio, Tex.	115,261
Capt. C. W. Titus, San Antonio, Tex.	136,431
J. M. Taylor, San Antonio, Tex.	106,000
C. A. Goff, Ironton, Minn.	116,000
W. C. Jackley, Anderson, Ind.	130,000
Ventura Rdn'g Co., Santa Paula, Cal.	100,000
R. R. Wallace, Bigtown, Ill.	108,000
John Smalley, Jackson, Calif.	138,000
Wm. Dement, Lodi, Calif.	125,000
Burton A. Towne, Lodi, Calif.	110,000
George Cross, Jeannette, Pa.	104,500
George Baughman, Arona, Pa.	102,000
George P. Thompson, Irwin, Pa.	124,490
Greensburg, New Alexandria and Blairsville Bus Co.	130,000
Chas. Reese, Chicago, Ill.	100,000
E. F. Turner, Chicago, Ill.	110,000
A. F. Hoffman, Chicago, Ill.	250,000
Mason Auto Co., Liberal, Kans.	150,000
City Garage Co., Meadville, Pa.	100,000
Lawrence Anderson, South Bend, Ind.	210,110
J. R. & Harry Howbert, Lima, Ohio	100,000
William R. Jewsson, Brooklyn, N. Y.	109,000
T. A. Backe, Brooklyn, N. Y.	160,000
E. J. Tannelieu, Benton Harbor, Mich.	175,000
Oscar Gernert, Shillington, Pa.	135,000
Ed. Oberg, Pier St., Merrill, Wis.	118,491
Baker & Co., Modesto, Calif.	101,050
F. D. Clements, Gassaway, W. Va.	126,000
R. B. Wallerington, Hamilton, Ill.	108,000
T. S. Wright, Temple, Texas	105,000
Oak Ridge Oil Co., Santa Paula, Calif.	100,000
Ike Warren, Holly, Mich.	137,000
W. E. Nunnalee, Tyler, Tex.	112,605
W. E. Nunnalee, Tyler, Tex.	121,825
W. E. Nunnalee, Tyler, Tex.	104,150
Nathan Feldman, Kingston, N. Y.	166,000
Samuel Feldman, Kingston, N. Y.	178,500
Chas. Van Etten, Kingston, N. Y.	109,000
Sheriff Columbiana Co., E. Liverpool, Ohio	142,000
Canton-E. Liverpool Bus Co., E. Liverpool, Ohio	128,000
Tim Bishop, Lincoln, N. H.	103,000
George Ward, Ansonia, Conn.	110,000
Clark Barger, Kitts Hill, Ohio	135,000
H. Ketler, Ironton, Ohio	100,000
J. W. Truby, Ironton, Ohio	130,000
Hillstead & Grant, Int. Falls, Minn.	135,000
Red Top Cab Co., Wichita Falls, Tex.	160,000
Red Top Cab Co., Wichita Falls, Tex.	120,000
Dr. H. E. Funk, Culbertson, Nebr.	117,000
M. B. Gresmire, Terre Haute, Ind.	211,536
B. F. Davis Bus Line, Terre Haute, Ind.	108,035
Warner Paige, Terre Haute, Ind.	103,469
W. B. Bruce, Terre Haute, Ind.	112,705
O. H. Hurd, Beaumont, Tex.	140,000
W. H. Perkins, Dallas, Tex.	125,000
Jack Snyder, Dallas, Tex.	130,000
Larry Miller, Bemidji, Minn.	105,000
Geo. Hickerson, Bemidji, Minn.	140,000
Nick Elvis, Huntington, Pa.	106,506
Geo. Magels, Huntington, Pa.	105,351
A. E. DeCou, Woodbine, Ia.	120,413
Harry E. Yount, Dunlap, Ia.	120,413
Ira Mongeon, Laconia, N. H.	140,000
Robert Shelby, San Antonio, Tex.	150,000
Central Garage, Lake City, Minn.	117,000
C. A. Goff, Ironton, Minn.	116,000
H. M. Wandrei, Ironton, Minn.	135,000
Herbert Johnson, Roslyn, N. Y.	100,000
Johnson Co., Marshall, Texas	172,687
Eugene Bradley, Georgetown, Ky.	108,000
H. A. Savage, Fresno Cal.	128,000
Art. Estl, Nashwauk, Minn.	205,000
F. G. Boggs, Nashwauk, Minn.	165,000
C. L. Baird, Atchison, Kans.	140,000
Red Star Bus Line, Canton, Ohio	102,000
Steubenville Bus Line, Canton, O.	150,000
E. Liverpool Bus Line, Canton, O.	114,000
C. O. Bainbridge, Phoenix, Ariz.	332,000
O. F. Anderson, Phoenix, Ariz.	121,000
Denver Stage Co., Denver Colo.	100,000
B. C. Oney, Sherman, Tex.	117,000
W. L. Thomas, Long Beach, Calif.	125,000
Hiron Phelps, Long Beach, Calif.	130,000
C. DeAngelo, Long Beach, Calif.	140,000
L. H. Hurroughs, Brunswick, Ga.	198,233
J. M. Armstrong, Brunswick, Ga.	235,221
Claude Armstrong, Geneva, Ohio	172,249
F. M. Lord, Mt. Vernin, Ohio	100,000
Robert Kersey, South Bend, Ind.	113,260
Platner Garage, South Bend, Ind.	214,190
Dan Linn, Stockton, Cal.	127,000
Edward Dunn, Chillicothe, Ohio	210,000
Peter Mazaikal, Waterbury, Conn.	100,000
Irving Rayson, Detroit, Mich.	140,000
G. W. Confer, Xenia, Ohio	129,000
J. A. Landon, New Ulm, Minn.	185,000
Harry Pannacht, Union Deposit, Pa.	141,567
A. E. Hart, Evansville, Wis.	125,000
Norman K. Stamp, Akron, Ohio	130,990
C. F. Sutton, San Francisco, Calif.	110,000
Border Taxi Service, Nogales, Ariz.	225,000
Van Motor Co., Kingston, N. Y.	190,000
E. W. Barker, Norfolk, Va.	197,000
Service Taxi Co., Mt. Vernon, Ohio	350,000
H. A. Savage, Fresno, Calif.	186,000
Gen. W. Drumm, Albany, N. Y.	297,000
John P. Carrier, Fredericktown, Mo.	164,831
Mr. J. B. Paradis, Taftville, Conn.	106,500
S. R. Chafe, Midland, Pa.	112,400
E. H. Brooks, E. Liverpool, Ohio (Taxi)	108,300
B. O. Prugis, Chester, W. Va. (Taxi)	147,000
U. V. Price, E. Liverpool, Ohio (Taxi)	157,000

THE foregoing shows a partial list of owners of Studebaker cars which have been driven over 100,000 miles, as reported to the factory. Note that several have even exceeded 300,000 miles. And they are all still in active service, giving dependable economical transportation to their owners.

Business concerns who operate fleets of cars should consider what this means in terms of money that can be saved. For depreciation is the heaviest cost item in maintaining automobile equipment.

Because Studebaker cars give scores of thousands of miles of dependable, low-cost transportation, they reduce depreciation to a minimum and are therefore more economical for fleet-operation. Thus, as many firms have proved, it is not necessary to trade in Studebakers each year or every other year.

Studebaker cars are more dependable and give years longer service because they are Unit-Built under Studebaker's One-Profit plan of manufacture — whereby all engines, bodies, gear sets, differentials, springs, brakes, steering gears, axles, gray-iron castings and drop forgings are made in Studebaker plants. Because all parts are designed and built into one harmonious unit, the Studebaker functions as a unit, yielding greater riding comfort and longer life with minimum repair cost and higher resale value.

Particulars of Studebaker cars in fleet-service will gladly be sent to interested parties.—*The Studebaker Corporation of America, South Bend, Indiana.*

Studebaker offers three 6-cylinder chassis; 20 body types, ranging from $1125 to $2225 in price

were the settlement of the anthracite strike, on terms which seem likely to bring peace to that much-troubled industry for the next four or five years, and the passage by Congress, and signature by the President, of the new tax law, whose provisions would have provided an excuse, last fall, for bull drives.

The settlement of the hard coal strike came as something of a surprise to most observers. Its principal clauses provided for the immediate resumption of work at the mines, under the terms of the existing contract, which is to be enforced for four and a half years, and for the establishment, in case of any dispute, of a board of two, one chosen by the miners from a list prepared by the operators, and the other by the operators from a list made by the miners.

These men are not to be connected with the union or with the business of coal mining, and their decisions are to be accepted as final.

Work at the mines was resumed soon after the final agreement was ratified, but the public was warned not to expect supplies of hard coal for some weeks to come. Hard coal substitutes rapidly fell in price, with coke as the chief sufferer.

New Law Abolishes Gift Tax

THE NEW tax law, signed by the President on February 26, abolishes the gift and capital stock taxes, and materially reduces the income, inheritance and amusement and automobile taxes. The total reduction in revenue for this year is estimated as $387,811,000.

Commodity prices went lower during the month, partly in sympathy with the stock market, partly in response to other influences. Small commercial demand for wheat, coupled with speculative short selling, sent that commodity to the lowest point since mid-December, the May position showing a loss of 29 cents in two months. Light domestic spinners' takings, and an apparent saturation of the foreign market, caused a loss of 100 points in cotton. Rubber sold as low as 51 cents per pound against 93 cents at the beginning of the year and $1.21 at the high point of 1925. Livestock and provisions were lower, as were textiles.

The price index showed a decrease for the third consecutive month, with a loss of 4.3 per cent since January 1. On March 1 it showed a decrease of 3.1 per cent from the like date a year ago.

In distributive lines, the usual seasonal drop from January occurred, February being regarded as an "in-between" month, but the general movement of goods was well ahead of a year ago, in spite of continual complaints of hand-to-mouth purchasing by retailers. One trade authority remarked that out-of-town buyers were visiting the jobbing and wholesale centers much more frequently than was formerly the case, so that, for instance, instead of great activity in dry goods lines during January and July, and comparative dullness in other months, all months were moderately busy, and the "sales peaks" were flattened out. Silks, rayons and mixtures continued to move better than cottons and woolens.

Sales by the two leading mail-order houses were somewhat smaller in February than in the previous month, but showed a gain of 7.4 per cent over February, 1925, and the chain stores also reported good increases.

Iron and Steel Were Active

THE IRON and steel trades were busy, with apparently more activity in the middle-western steel-producing centers than at the east. Orders showed a slower tendency, but prices were well sustained. Scrap prices weakened somewhat, but showed a firmness towards the end of the month. Pig iron production in February was below January and the like month in 1925, but the average daily output was increasing at the end of the month. The drop in the month's production was probably caused by the closing down of a number of furnaces in late January, because of the high prices of coke.

Pig iron prices sagged in February and early March, as buyers were holding off to see whether the drop in coke would lower quotations for the metal.

All the minor metals were weak, except tin, which seems destined to stay in the neighborhood of 60 cents per pound for some time to come.

Automobile manufacturing was very active for the season, and the principal producing center reported the number of men employed as close to the record.

Building permits issued in February showed a decrease of about 1 per cent from the January total and a decrease of 8.5 per cent from the total for February, 1925. This was contrary to the usual movement of building figures, which generally show a tendency to increase with the approach of spring. Actual construction work was fairly heavy, except where curtailed by weather conditions. Production and new orders for lumber were well ahead of the 1925 total, but shipments were somewhat smaller, chiefly because of the handicaps of bad roads and deep snow. Building materials showed the usual slight seasonal price decline but moved well for the time of the year.

Other measures of business activity recorded for February were fairly favorable. Bank clearings showed an increase of 3.4 per cent over the corresponding month last year, while for the first two months of the year the increase was 3.2 per cent. Failures for February were 2.7 per cent more numerous than in the like month last year, and liabilities showed an increase of 2.5 per cent. These increases, however, represent merely the normal rise in the number of those engaged in trade, without indicating any gain in the rate of business mortality.

Car loadings were slightly behind the corresponding weeks of 1925 but were well ahead of 1924. The decreases from 1925 were chiefly accounted for by smaller loadings of coal, livestock and lumber, while manufactured goods moved better than a year ago.

Imports of raw silk in February fell below January and slightly below February a year ago, possible because of the recent rise in Japanese exchange to the highest point in three years. Consumption of raw silk, however, was at the highest rate ever recorded for the month, and total consumption for the first two months of the year exceeded any other two consecutive months in the history of the industry.

Too Soon for Crop Forecast

IT IS early in the year for any definite statements on crops. There appears to have been little frosting of winter grains. Complaints were voiced in parts of the corn belt that there was a shortage of good seed corn, a large portion of last year's low-grade crop having been found sterile. Generally speaking, the winter wheat crop was in good shape, although in Kansas, Oklahoma, and Texas it would have benefited from more moisture. Conditions in the northwest were good.

A reduction of about 5 per cent in the Texas cotton acreage seemed indicated, and farmers in the grain states held meetings to discuss the possible cutting of cereal areas.

Considerable activity was noted in the agricultural implement and fertilizer lines, with these goods moving especially well at the south, apparently indicating that the farmers' purchasing power is in healthy condition.

Congress Is Quitting—Bills Dying

By WILLARD M. KIPLINGER

CONGRESS, at full blast, is getting ready to quit, leaving a multitude of bills affecting business interests not acted upon or but partly advanced through the legislative stages. The session will last four to six weeks longer, the time depending on several complicated parliamentary situations and the effectiveness of a number of log-rolling, vote-trading compacts which always develop toward the end of a session. More than 10,000 bills have been introduced, a record, and fewer major measures have been passed or definitely acted upon by committees than is usual at this stage of a first session.

This situation means neither praise nor blame for Congress. Every legislative proposal has two sides, one of obvious merit, with favorable arguments well organized and presented, the other of objections, often vague and indifferently set forth. This mass meeting of popular representatives, called Congress, quite effectively senses the distinction between one class of proposals for which there is a real economic demand, supported by popular opinion, and another class of measures which have been given insufficient general thought. Consequently one test of Congress is in its failure to pass many bills.

The trouble with so many important proposals now before Congress is that they are not ripe. They may have the support of one group, or two groups, or more, but they have not been agitated and discussed throughout the country.

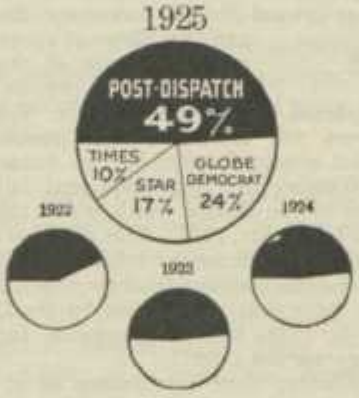
It is really throughout the country that legislation is made, not merely in the chambers of Congress, for Congress is so laden with issues that it acts only when pushed, and it is pushed only by widespread popular interest in a proposition.

Many business groups mistake interest within their own circle for broad, general interest and will be due for disappointment within the next few weeks as they find their pet proposals caught in a legislative jam, with wholly insufficient popular dynamite to

Home Merchants Know the Newspapers

Home Merchants Know Which Newspaper Is the Most Popular With Their Customers—Which One Brings the Most Profitable Results

A four-year picture of the Home Merchants' Advertising in ALL St. Louis newspapers is shown below



St. Louis merchants use more space in the Post-Dispatch alone than in the second and third newspapers combined—almost as much as in ALL THREE OTHERS COMBINED!

Results Alone Are Responsible for This Supremacy

ST. LOUIS POST-DISPATCH

St. Louis' ONE BIG Newspaper

NEW YORK 293 Madison Ave. DETROIT Book Bldg. CHICAGO Tribune Tower KANSAS CITY Coca Cola Bldg.

SAN FRANCISCO 564 Market St. LOS ANGELES Title Insurance Bldg. SEATTLE Terminal Sales Bldg.

By Invitation, a Member of the 100,000 Group of American City Newspapers

blow them loose. Look out this month for log-rolling: "We vote for your bill; you vote for ours." Many blocs are already organized.

They may not be spectacular, and the names of their members may not get in the news dispatches, but they are nevertheless powerful in expediting or holding up action during the critical weeks of a session's end. Vote-trading is practiced especially on bills having sectional or regional interest, and it is surprising to see how regional interests grow up out of what appear to be general measures. Only by watching and appraising vote trading during the next month can you understand the strange jockeying of certain bills into advanced position and the retardation of others.

Partisan politics provides another collection of motives of unusual influence during the remainder of the session. Issues must be created for the elections of members of Congress next fall, and the Democrats have hopes of gaining a majority in the Senate.

Every bill will hold its parliamentary place at the end of this session until the second, or short session starts next December.

Taxes

New rates on taxes now being collected, due as of March 15, undoubtedly will stand for two years. There is a movement to consider a general measure next year revising taxation principles and methods, as distinguished from rates, but probably it will not amount to anything definite until 1928. The tax reduction of $387,000,000 for this year leaves the Treasury with very little prospective margin between revenue and expenses, but the chances are that the administration will not find it necessary to ask for any increase in taxation next year. Even if a business slump should occur late this year, or next year, tax collections would not be seriously affected until 1928.

Tax reduction and ratification of the World Court represent the two most spectacular accomplishments of Congress at the first half of this session.

Agriculture

The most important and persistent issue now before Congress relates to the agricultural surplus problem, as represented by the Dickinson bill. Quite steadily throughout the past three years has grown agitation among farmers for some sort of artificial protection for the selling markets for agricultural products, to raise prices to a comparable purchasing-power level with manufactured articles, which are protected by tariff. This agitation will continue to grow during the next year or two and eventually result in legislation to give "equality for agriculture." Interest will develop especially in the South, and support the western sentiment.

Effective action may not be expected at this session, however. (1) The Administration is opposed to any sort of an equalization fee, the *sine qua non* of the proposed legislation. (2) Agricultural leaders are so divided on the methods of agricultural relief legislation that they cannot bring sufficient pressure to bear.

Compromises are being advanced. That part of the Dickinson bill providing for a Federal Farm Board to study the surplus problem and work it out in any way possible without special legislation, is acceptable to the Administration and a majority of Congress and may be adopted, but its effectiveness is a subject of doubt, and it will not satisfy the strong forces behind the general proposal. New methods of imposing the equalization fee are being put forward, but Congress is not yet assured of their practicability. It should be said that no major legislative proposal for years has had quite the large amount of avowed sympathy (largely forced by strong organization in the west) with the small amount of approval on *methods*, as this surplus proposition.

The surplus problem will be with us for a year or two or three yet. In some form it will be one of the great political issues of the near future.

Congress will authorize creation of a new Division of Cooperative Marketing in the Department of Agriculture, and on further development of cooperative marketing the Administration wants to build its principal program for farm relief in the future. The proposal to permit sugar made from corn or artichokes to be called plain "sugar" is likely to go through. A bill requiring the dyeing of imported clover and alfalfa seed, some of which is not suitable for best results in American climates, has good prospects of passage. There is no chance of passage of the bill prohibiting trading in grain and cotton futures.

Tariff

The tariff issue is still in the air, not on the ground. The Democrats are making motions toward revision downward, knowing well that they can accomplish nothing definite at this session, except to provide talking material for the fall elections. Whether Congress will undertake tariff revision at the next session depends on two factors:

1. Whether the Democrats next fall gain control of the Senate which would take office in December, 1927. This situation might urge the Republicans to initiate a moderate tariff revision program of their own, to forestall a more drastic reduction by the Democrats in 1928, but the prospects for this strategy are not clear.

2. Whether there is a falling off of business activity toward the end of the present year. This would make both parties reluctant to take the responsibility for tinkering with tariff. It is quite evident that the pressure from a multitude of industrial and trade groups for changes in duties is increasing; many want increases in certain rates, and Republican members of Congress are now subject to this pressure.

By investigation of the Tariff Commission, which was agitated by leaders of both parties, Democrats want to try to embarrass the Administration by seeking to show that the commission, an independent fact-finding body, has been influenced by political pressure in its recommendations to the President on proposed changes under the flexible tariff. They also want to make a Tariff Commission investigation, with its attendant publicity, blow open the public mind on a future tariff fight.

Undoubtedly the investigation will be enlightening in many ways, especially in showing the ineffectiveness of our flexible tariff as operated in the past.

Banking

The McFadden branch banking bill is scheduled for passage, with amendment of controversial Sec. 9 to leave a little leeway for future development of intra-city branch banking within the Federal Reserve System. Rechartering of the Federal Reserve banks is not yet an issue in Congress.

Reform of bankruptcy procedure has no chance of final passage at this session, although there is no serious opposition to it. The blue sky bill, to regulate inter-state dealings in securities, will not be pushed to a conclusion.

Foreign Debts

The Italian debt settlement has suffered at the hands of Congress mainly because of distrust of the dictatorial policies of Mussolini and doubt concerning the permanence of his government. There is no material objection to other debt settlements.

Railroads

The Cummins bill to encourage voluntary consolidation of railroads has been stimulated by the Interstate Commerce Commission's refusal to approve the Nickel Plate unification, but the whole subject of consolidation is too big to be settled at this session, or perhaps even at the next session. The Gooding long-and-short haul bill cannot get through the House at this session, although its forces have been gaining strength and beating down opposition based on the feeling that this measure represents rate making by legislation. The bill to reduce the interest rate on government war-time loans to railroads from 6 per cent to the current rates has fair chances of passage.

The bill to regulate interstate bus and truck traffic has too much opposition from trucking interests, including manufacturers, to get final action at this session. There is relatively little opposition to regulation of passenger bus traffic.

One very important measure which has had rather little public attention so far is the Butler bill to abolish freight rate differentials on shipments from the interior to Atlantic, Gulf and Pacific ports, respectively, thereby tending to encourage traffic through Boston, New York and Philadelphia, and discourage it through Baltimore, Norfolk and the South Atlantic ports, which now have differentials and are engaged in installing efficient port facilities. This bill is likely to be deadlocked at the end of the session.

Reorganization of the Interstate Commerce Commission on a regional basis is gaining support, but probably will not come to final issue until the next session.

Labor

The bill to substitute a system of railroad labor adjustment, mediation and arbitration boards for the Railroad Labor Board, probably will become law. Prospects for a series of wage and other labor disputes on railroads during the next year have stimulated action.

Two rival bills to establish a workmen's compensation system for the District of Columbia are at issue. The Fitzgerald bill is supported mainly by labor, and the Underhill bill mainly by employers and insurance companies. They will probably kill each other.

Shipping

It still seems doubtful whether any important shipping measure can get through, for there has been nothing approaching unanimity of opinion on merchant marine problems, either within or without Congress. The Shipping Board in the future probably will be more in accord with the policies of the Administration, and the House indicated sympathy with the Merchant Marine by increasing the budget allowance for the Shipping Board (mainly for the Emergency Fleet Corporation) from $13,900,000 to $18,691,000.

Material revision of postal rates will have

WHAT Big Business is doing in NORFOLK

HALF-way down the Atlantic Coast a great industrial city is stepping to the forefront as a center of world commerce.

The Ford Motor Company and the International Cement Corporation are just two of many great plants recently established at Norfolk. These companies—and others like them, have found the Norfolk-Portsmouth area of Virginia an industrial location that offers rare opportunities.

Power—fuel—water are abundant at Norfolk and at lowest cost. Labor is high class and contented. Less than 5% of the population is of foreign birth.

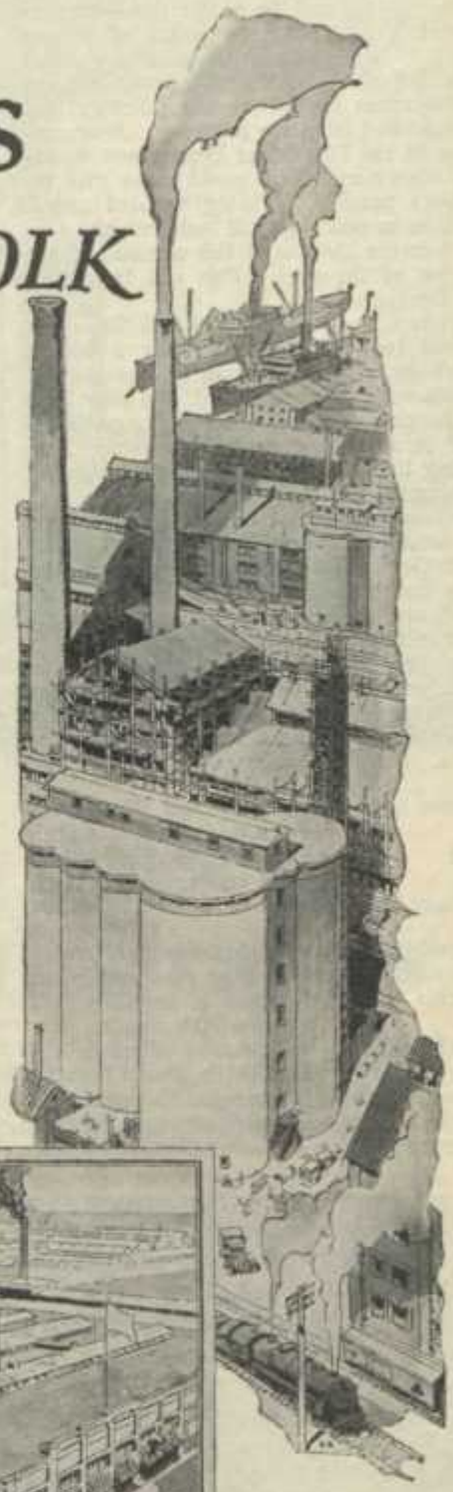
Because of a highly favored geographical location Norfolk freight rates are low—both for raw materials—and in the shipment of finished products. Eight railway systems reach out to all parts of the country.

By sea frequent sailings to and from all parts of the world bring in raw materials—cut down the cost of distribution for finished products.

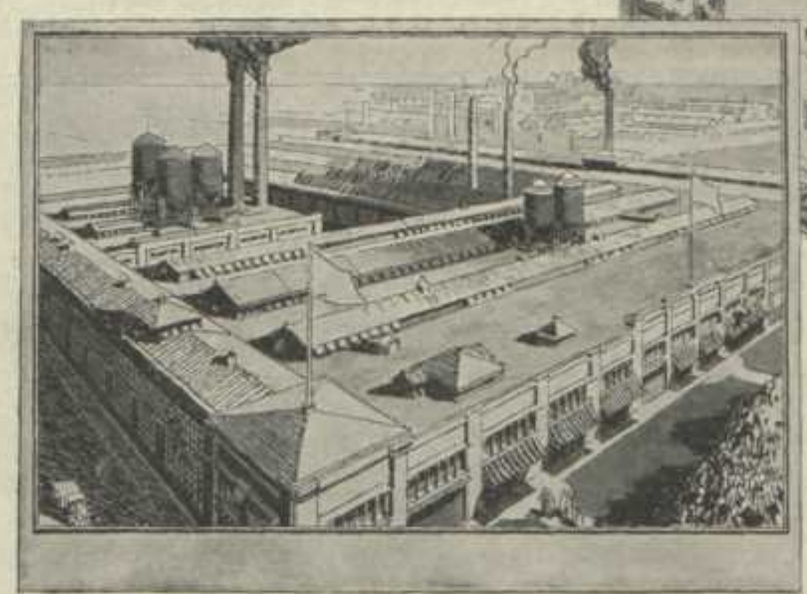
Norfolk's abundant acreage provides unexcelled plant sites at moderate cost. A million dollar revolving fund is available to responsible organizations for assistance in the financing of industrial sites and buildings.

* * *

Our industrial engineers will be glad to discuss with you the problems relating to your own industry. All inquiries held in confidence. Address the Norfolk-Portsmouth Industrial Commission—Dept. —C, Chamber of Commerce, Norfolk, Va.



THE INTERNATIONAL CEMENT CORPORATION *—a representative of the giant industries that have located plants at Norfolk*



THE FORD MOTOR COMPANY PLANT*—recently established at Norfolk—capacity 90,000 cars a year*

NORFOLK-PORTSMOUTH
Chamber of Commerce

to await some future session, although there is a chance that some minor adjustments will be made now—for example, reduction of private post cards to 1 cent, and reduction of the rate on single newspapers or magazines mailed by the purchaser, as distinguished from the publisher. Reorganization of the Post Office Department, to effect economies which would make rate reductions possible, is being agitated and a commission probably will look into the subject between the end of this session and the opening of the next. This will be a long job, however.

Postal

Printers and small publishers have organized tremendous support for a bill to curtail government printing of stamped envelopes with the return card, and they have the backing of the numerous groups interested in abolishing government competition in their lines (roads and other public works, clothing, shoes, etc.). This envelope bill, therefore, is a test of the entire movement. Its chances are uncertain.

Another proposal is to bar from the mails merchandise which has not been ordered, and thereby stop a system of mail-order merchandising which has grown up in recent years. There is another bill which, in effect, would open the way for Cuban cigar-makers to ship cigars in retail lots by parcel post from Cuba to all parts of the United States. Florida cigar-makers are fighting it.

Coal

There is a chance that a bill to create a government fact-finding agency on coal will pass the Senate, but no final legislation may be expected.

Merchandising

A bill to prohibit the misbranding of many kinds of merchandising may pass the House, but this is doubtful, and it probably will not pass the Senate. Retail price-maintenance legislation is dead for the present. Late in the session Congress will be asked to make a small appropriation for beginning a census of distribution, but it will be two or three years before such a census really gets under way.

Aviation

Prospects are favorable for enactment of a measure to create a Bureau of Civil Aeronautics in the Department of Commerce.

Radio

The proposal to establish government regulation of radio broadcasting is scheduled for enactment.

German Claims

The Treasury's plan for liquidating German alien property, ship, and radio claims against the United States Government, and Americans' war claims against Germany, has much organized support from groups of American claimants, but is likely to encounter too much debate to get through this session.

Foreign Trade

The bill for import combinations is making no progress. Hearings on foreign government-controlled commodity monopolies were an end in themselves, and no legislation is expected. The propriety and results of Secretary Hoover's attack on the British rubber monopoly constitute a subject of much dispute and difference of opinion in Washington. Congress is favorably disposed toward an appropriation to let the American Government acquire its embassy and legation buildings abroad.

Government Reorganization

Congress may authorize the President to reorganize government departments, subject to approval of a congressional commission (Mapes bill), but it will not grant him a free hand (Davey bill). The subject has not been very active.

Metric Standards

The long-pending proposal to start the establishment of metric standards in the United States has quite general approval, but there is not enough steam behind it to put it through.

Water Power

The issue over building a huge dam in the Colorado River at Boulder Canyon for flood control, irrigation, water supply and power can not be settled at this session. The power issue in this is potentially greater than that of Muscle Shoals, but it will not ripen for a year or two yet.

Judicial Salaries

Federal judges probably will get their deserved raises in salaries.

Immigration

No fundamental changes are expected, although the law may be relaxed to let in close relatives of foreign-born citizens already here.

War Mobilization

Interest in the Capper-Johnson bill for mobilization of trade and industry in war time has not been sufficiently active to insure action. The congressional attitude toward it is friendly, however.

Appropriations

The appropriation bills are all in good parliamentary shape.

Roads

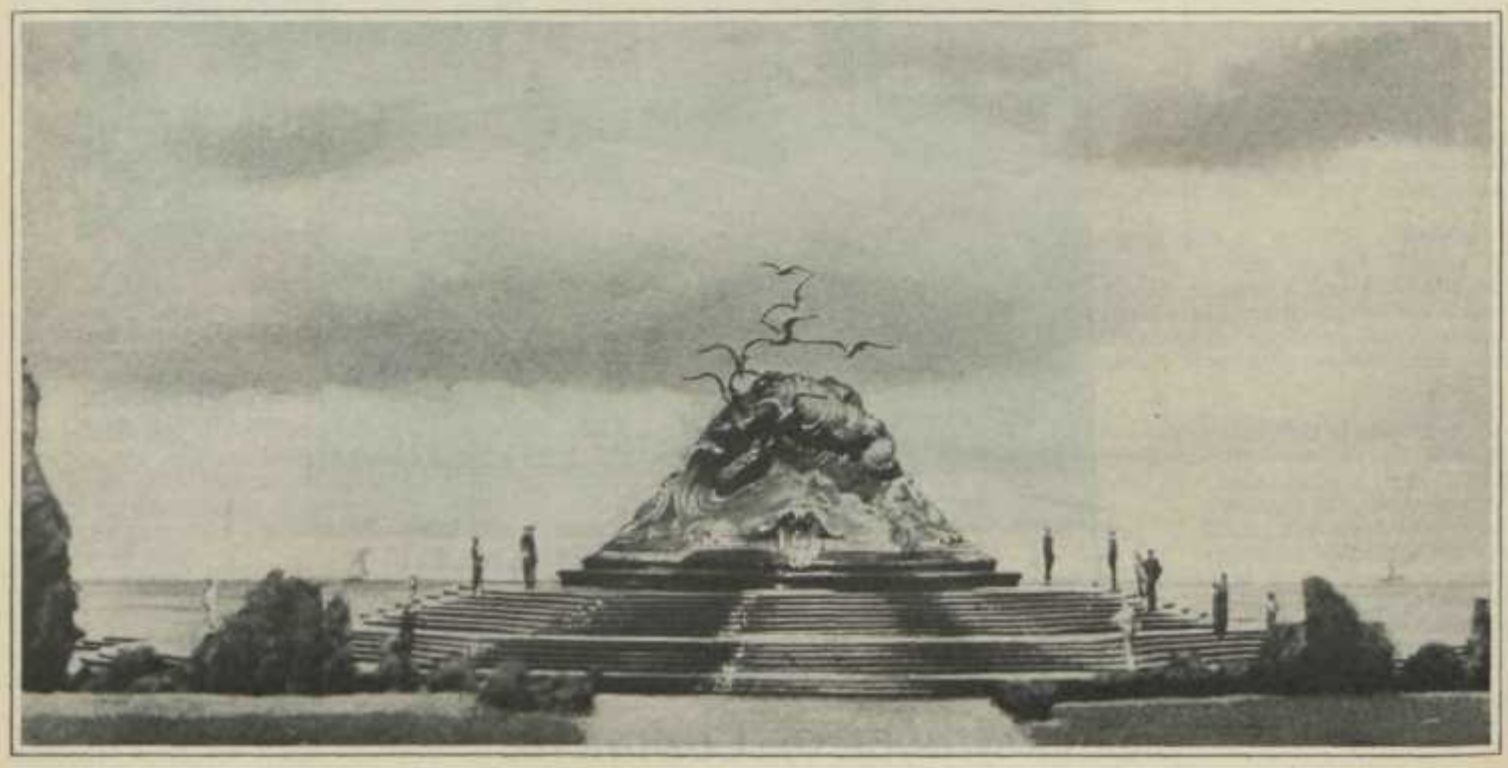
Prospects are favorable for passage of a $75,000,000 appropriation bill for federal aid for road building for 1928, and the same for 1929, thereby continuing the present road program without substantial change.

Oil

The Federal Oil Conservation Board, which is trying to establish a national policy for oil development, will be continued.

Public Buildings

A six-year program probably will be authorized for construction of new post offices and other federal buildings, involving $25,000,000 a year, of which $10,000,000 is for buildings in Washington, total, $165,000,000.



An artist's idea of how the new Navy and Marine Memorial will look when completed. It is to stand in Potomac Park, Washington, with the Potomac River in the background. Two hundred thousand contributors have aided in the financing of this memorial, which is now under construction



World-Famous Bakers Use International Trucks

THE National Biscuit Company, whose name is celebrated wherever there is an appetite, demands the most exacting and dependable service in the delivery of its wholesome products. From 190 branches all over the country its delightful delicacies, crackers and cookies must be delivered as they come from the ovens—fresh, wholesome and appetizing. And you may depend upon it, they do.

More than 300 International Trucks are helping to do a remarkable job in the national transportation requirements of the National Biscuit Company.

Here are trucks which have demonstrated their in-built merits year upon year. The performance of International Trucks, and their attractive appearance, too, have helped to build higher the prestige of the National Biscuit Company and the popularity of its products.

If in your hauling jobs you need such service as the "Uneeda Bakers" demand, there is one way to make sure of getting it—let Internationals show you the way.

International Trucks have been delivering dependable service for twenty years—other products of the Harvester Company have been doing it for almost a hundred.

The International line includes a Speed Truck for 2,000 pound loads; Heavy-Duty Trucks ranging from 3,000 to 10,000 pounds, maximum capacities; and Motor Coaches for all requirements. They are sold and serviced through 112 branch houses—the largest company-owned truck service organization in the world. And there are dealers everywhere

INTERNATIONAL HARVESTER COMPANY
OF AMERICA (INCORPORATED)
606 So. Michigan Ave. Chicago, Ill.

INTERNATIONAL TRUCKS

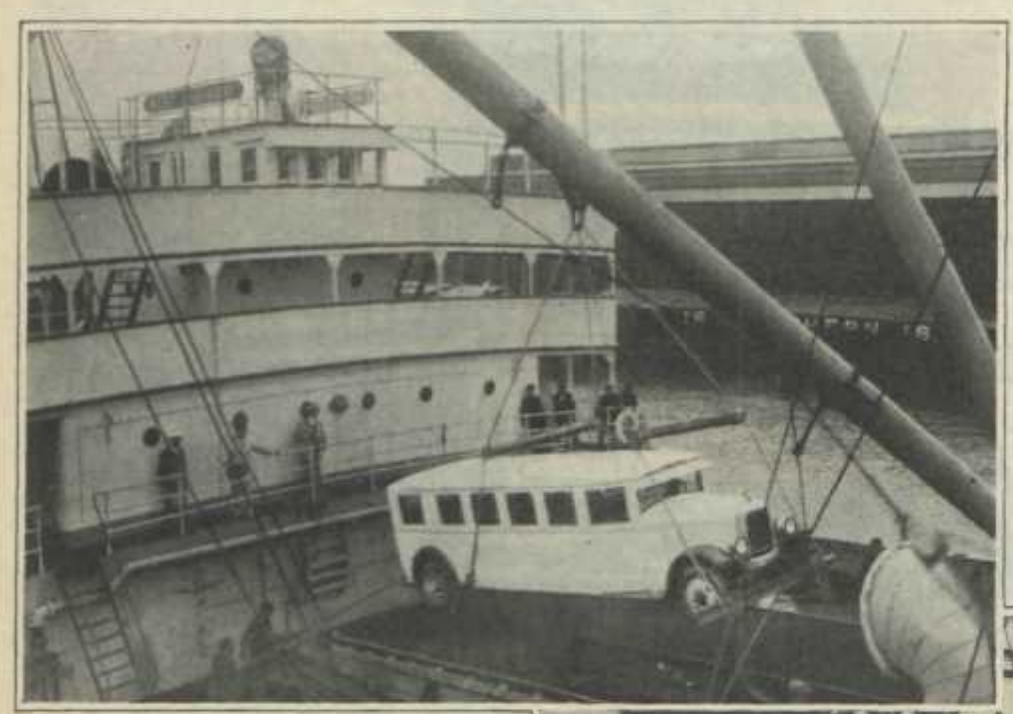


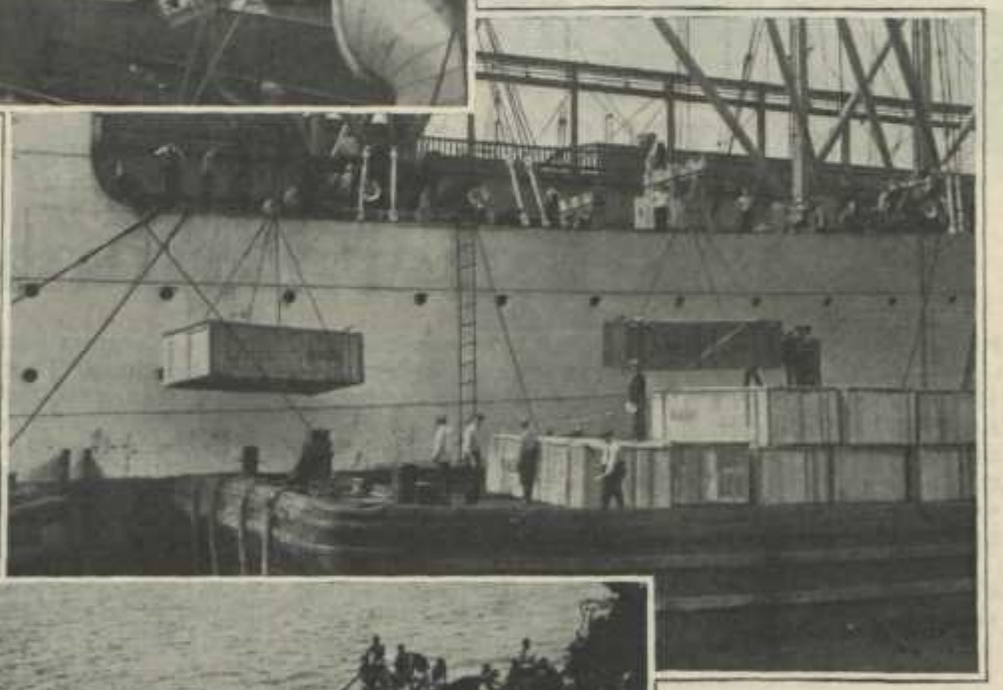
A fleet of trucks recently put into service by contractors to deliver National Biscuit Company products from its Brooklyn, N. Y., Agency

When asking for further information about International Harvester Trucks *please mention Nation's Business to the dealer*

Yankee Motors Cross the Seven Seas

By CHAUNCEY DEPEW SNOW







PICTURES BY COURTESY OF U. S. SHIPPING BOARD

The job of American motor makers and dealers is to put motors—buses, taxicabs, trucks as well as passenger cars—on good roads in all countries

SUPPOSE you went to an international gathering with delegates present from thirty-five foreign countries, speaking more than a dozen different languages—you might, with reason, expect the language problem to slow things up and impair the benefits of the discussion. Many an enthusiast attending international meetings has found the language difficulties a terrible bore and an unspeakable nuisance. But when the American automobile manufacturers serve as host to a hundred and more delegates from thirty-five or more foreign countries, the language problem, so far as the platform speaking is concerned, is as completely eliminated as the vibration in the finest products of the industry.

This was effectively demonstrated at the Second World Motor Transport Congress held in New York, under the auspices of the National Automobile Chamber of Commerce, in January of this year. Suppose you understood no English but understood French or Spanish or German; then suppose the speaker on the platform spoke only English. You could sit right there in front of him and listen to his speech, but when it came to you, it came in the language you did understand,—either in German, in Spanish, or in French. By an ingenious arrangement of head phones, and by careful preliminary translation of set speeches and skilful arrangement of competent interpreters, speaking the foreign languages, you, without any knowledge of the language of the speaker on the platform, could sit there and hear the speech in your own tongue. The world is always expecting innovations from the motor industry; here is one that hasn't any direct connection with gasoline filters, air filters, or balloon tires, four-wheel brakes or one-shot lubrication. League of Nations, please note!

At this second meeting of the manufacturers and distributors of motor cars and motor equipment of the various nations, there was perhaps a little better fellowship, and more intimacy, and more freedom of expression than at the First International Congress held in Detroit two years ago.

Old Friends Get Together

HERE in New York it was a case of old friends getting together again, and knowing each other well enough to speak frankly, even when frankness called for criticism. These men, manufacturers and dealers, have as one of their prominent interests in life the job of placing the motor cars—buses, taxis, and trucks, as well as private passenger cars—on good roads in all countries, at a reasonable cost, and seeing to it that they are well serviced after they are put there.

At this meeting much of the talk turned on selling. Whereas the First Motor Congress two years earlier had to a considerable extent been devoted to some elementary instruction in commercial geography, this one dealt with instruction in plain and fancy salesmanship. To be sure, the highway question and the traffic question were always present. It is hard to sell automobiles where there are no roads or where the roads are bad, although there is plenty of testimony to the effect that cars are be-



Unskilled Labor Can Be Made Productive

"Unskilled labor is apt to be included under the head of non-productive labor and thus classed as overhead expense. It is too often treated as a necessary evil. This class of labor can be made productive."—*Eugene B. Clark.*

How unskilled labor can be made productive is the theme of the "Clark Theory of Labor Economy." The coupon below will bring you the booklet free.

Clark Tructractor Company

1127 Days Avenue BUCHANAN, MICHIGAN

Clark Tructractor Co.
1127 Days Ave.
Buchanan
Mich.

Please mail me copy of your book "Clark Theory of Labor Economy."

Name..... Company.....

Street..... City.....

We employ..... unskilled laborers

When writing to Clark Tructractor Company *please mention Nation's Business*

ing sold and operated in lands where no good roads exist.

The keynote of the meeting, if it had a keynote, was undoubtedly selling. Some of the manufacturers came out quite frankly and stated that from a dollars-and-cents business standpoint today motor car manufacturers have to give more attention to the problems of selling than to the problems of producing.

Materials and engineering and design improvement, of course, never relax. However, as one of the American manufacturers remarked from the platform, "If all we had to do was to build 'em, and then take 'em out in a lot and kiss them goodbye, that would be a lot of fun." Once they are produced they still have to be sold.

U. S. Best Motor Market Still

THE United States, with some twenty millions of automobiles, is undoubtedly the most thoroughly sold market in the world. Accordingly, present-day selling calls for the most careful planning and the most intensive efforts. As Mr. Charles D. Hastings, president of the Hupp Motor Car Company, and Mr. H. H. Bassett, president of the Buick Motor Company, and Mr. Charles B. Warren of New York, a big retail distributor, told about the sales organization, the planning, the obtaining of prospects and the follow-up of those prospects, it became quite apparent that the man who is conceivably in the market for a motor car is certain to meet with a great deal of solicitous attention and tender care on the part of the automobile salesman. The distributors in foreign countries were open-eyed at the extent and the nature of the sales efforts being put forward in the United States. Moving pictures and the stereopticon were used to demonstrate to them exactly how the thing is done—the gentle art of getting the name on the dotted line and ringing up a sale on the cash register.



"If all we had to do was to build 'em," says an American motor car manufacturer, "it would be lots of fun," but once they are built they must be sold. And even the "Dark Continent" has yielded a market

The foreign delegates and the hundreds of American delegates to the Congress had an opportunity to see and hear many of the men in the motor business whose personal names or trade names grace the radiator emblems of automobiles in every land.

The Congress was opened by Mr. John M. Willys, of the Willys-Overland Company, as chairman of the Foreign Trade Committee of the National Automobile Chamber of Commerce, and by Col. Charles Clifton, head of the Pierce-Arrow Motor Car Company, as president of the National Automobile Chamber of Commerce. There followed on the program Mr. H. H. Bassett, president of the Buick Motor Company; Mr. R. C. Graham, of Graham Brothers; Mr. H. M. Jewett, of the Paige-Detroit Motor Car Company; Mr. Stewart McDonald, of the Moon Motor Car Company; Mr. Alvan Macauley, of the Packard Motor Car Company; Mr. Roy D. Chapin, of the Hudson Motor Company; "Eddie" Rickenbacker, of the Rickenbacker Motor Company; Mr. M. L. Pulcher, of the Federal Motor Truck Company, and other speakers and presiding officers with names well known in the motor equipment and accessories trade. Among the distinguished foreign visitors on the program appeared Sir William Letts, president of the Society of Motor Manufacturers and Traders of Great Britain, who extended an invitation to the Congress to hold its third meeting in London at the time of the automobile show there, and mentioned incidentally that the British show, unlike the American show, is open to cars of all nationalities.

Then there was William Campbell of Johannesburg, South Africa, a veteran distributor of American motor cars, who ventured a number of pointed and good-natured suggestions as to desirable changes in export policies on the part of American automobile manufacturers.

Mr. Campbell urged the American manufacturers to investigate the accumulation of costs between the departure of an exported motor car from the seaboard in the United States and its arrival in the distributor's warehouse in the foreign country. He thought these costs could be cut down. He remarked: "So far as the automobile industry is concerned, you have not yet had to meet competition as it is understood in other large industries. Business has sought you, and hitherto many of you have treated it as the Cinderella to whom you fling your scraps. True, the rivalry amongst yourselves has already compelled a great change in policy and it has proved all to the good, but Europe is awakening, and soon a set of different conditions will have to be met."

Poor Roads Hamper Germany

FROM Germany, Dr. O. C. Wawrziniok, director of the Institute of Transport Science at Dresden, pointed out the difficulties of rapid expansion of the use of motor cars in Germany, first and foremost, on account of the lack of suitable highways, and generally because of the prevailing economic conditions and standards of living in the Reich.

The automobile is still regarded and treated in Germany as a luxury for the rich, and by reason of taxes, high price of motor fuel (in part due also to taxes), the spread in the sale of motor cars is impeded. Dr. Warwainiok, whose paper was one of the most interesting of all those presented at the Congress, never got very far away from the highway question, and indicated that foreign loans for highways in Germany might be one of the most effective means of cultivating that market. He mentioned that many of the existing good highways had been built by Napoleon over a hundred years ago.

Mr. A. C. Turner, of Melbourne, Australia, who spoke at another luncheon, observed that, unfortunately or otherwise, Napoleon had never presented them with any highways in Australia. He rather surprised a good part of his audience by portraying a surprisingly bad highway situation in the island continent in the southern hemisphere.

He said that although the two great cities of Australia, Sydney and Melbourne, are only 500 miles apart, they are not connected by motor highways; and that, if a man in one of those cities desires to go to the other, and if he wants the use of his motor car there, he ships it by boat.

Australian Roads a Surprise

A GOOD deal of the cross-country driving has to be done across deserts, in which there are not even tracks, let alone paved roads. All of this came somewhat as a surprise to the Americans who were not closely familiar with conditions in Australia, since that country has for years been our chief export market for motor cars, and has been regarded very much as the happy hunting ground of the exporter of autos and auto equipment. If Australia, with only six million people, and with road conditions as Mr. Turner described them, can take all the automobiles it does, what would happen if Australia only had four or five hundred millions of population like China, and hundreds of thousands of miles of roads like the United States!

Mr. L. W. Hallam, of Nelson, New Zealand, gave an amusing account of automobile selling in rural communities in New Zealand. He said that it was one of the finer arts to demonstrate to the New Zealand farmer how the mother and father and a family of six children can be got into a five-seater car. The outlying districts are poorly equipped with repair shops and service stations, and what resident repairing is done is largely at the hands of the backyard or "five-eighth" mechanic. The result is that the rural automobile salesman often has to be repair man as well, and do such little chores as grinding valves, taking up bearings, and relining transmissions.

In the rural communities the ideal of "keeping up with the Joneses" is well established, and every purchaser wants his car to outdo that of his neighbor in some respect. Said Mr. Hallam: "I sold five cars in succession in one section of the community, the first one being a standard model, the next a little better with a few extras; by the time I got to No. 4 I had a full-blown de Luxe car. The fifth wanted still more; he did not say so, but it's a salesman's



These busses lowered the running schedule 20 per cent

Al's Bus Line of Pompton Lakes, N. J., has built an enviable reputation for excellent service. Mr. Al Lydecker, owner of the line, is a veteran bus line operator. With years of experience as a basis, he selected 10 Pierce-Arrow busses.

Six of the busses make five round trips of 25 miles each, between Paterson and Butler, seven days a week—sometimes six and seven round trips daily, during the summer. Running time on the one-way trip is 45 minutes, with from 12 to 15 stops.

Three of the busses operate between Paterson and Greenwood Lake, a round trip distance of 50 miles. Each bus makes three round trips on week days and four trips on Saturdays, Sundays and holidays. The running time on the one-way stretch of 25 miles is 1 hour and 15 minutes.

Recently Mr. Lydecker said, "I have observed that other busses take from 15 to 20 minutes longer to make the Paterson to Greenwood Lake trip. Other makes have to go into low gear to climb some of the hills that my Pierce-Arrows climb in third."

Each of the busses has traveled more than 100,000 miles. The total expense for repair parts has averaged $90 per bus per year. None of the tires has gone less than 16,000 miles. They average from 16,000 to 22,000 miles. The gasoline average for the entire fleet is 6.5 miles per gallon.

Mr. Lydecker's experience illustrates why the demand for Pierce-Arrow busses has multiplied steadily year by year. Let the nearest Pierce-Arrow representative give you all the facts about these modern, luxurious busses with their 100-horsepower, six-cylinder, dual-valve engines.

Pierce Arrow
SIX-CYLINDER MOTOR BUSSES

THE PIERCE-ARROW MOTOR CAR COMPANY
Buffalo, N. Y.

Standard Chassis

offered in 196-inch and 220-inch wheelbase; completely equipped, including starter, battery, 12-volt generator, electric lights, 36 x 6 single front and dual rear pneumatic tires, and disc wheels. Prices upon application

Terms if desired

When writing for further information about Pierce-Arrow Busses *please mention Nation's Business to the dealer*



Reading Savings

Into Industry's Specifications

THAT is the aim of Dodge Engineers—to help industry lower production costs through economical transmitting of power, material handling and special requirements in production machinery. When you send your specifications to Dodge you are assured of the benefit of nearly 50 years of engineering and manufacturing experience in supplying industry's needs.

Power savings, labor savings, replacement savings are read into industry's specifications by Dodge Engineers.

DODGE MANUFACTURING CORPORATION

General Offices: - - MISHAWAKA, INDIANA

Branches:—New York, Minneapolis, Boston, Chicago, Atlanta, Houston, Newark, San Francisco, Philadelphia, St. Louis, Cincinnati, Cleveland, Oneida.

DODGE

duty to know these things, and I was absolutely beat to suggest anything that would be within his range.

Finally I had a brain wave and suggested rubber mats for the running boards. That closed the deal, although by this time the car was well above its next price competitor.

From all the world came echoes of the used-car problem. They now know what it is in New Zealand and in Australia and in South Africa, as well as in the United States. A South African delegate said that as much as 80 per cent of the new car sales in that country today involved handling a used car. As the deep sea sailor is said to have declared that the greatest inventor of the world was the man who invented salt-water soap, so the automobile profession stands ready to acclaim as the greatest inventor of the ages the man who can work out a nice, simple, agreeable solution of this used-car problem.

Other speakers from abroad were H. G. Burford and Mr. Rowland Winn, of Great Britain, Mr. H. Jenny, of Zurich, Switzerland, and Mr. A. G. Pinedo, of Venezuela.

Mr. Pinedo told of the early appreciation in Venezuela of the importance of motor transport, and by means of motion pictures gave an idea of the great work of constructing bridges and building good highways, which in a few years has brought Venezuela from a position low down in a list of countries from a good roads standpoint up almost to the top among the countries of Latin America. Venezuela seems to hold some promise for the automobile exporter.

Among the outside activities the big thing was the automobile show in the Grand Central Palace. There the foreign delegates could see how many American manufacturers were taking pride in the achievement of making six cylinders grow where only four grew before, or making eight cylinders grow where only six had been in evidence hitherto. They saw that the crop of light and moderate-priced sixes is very good this year. There seems to be no doubt about the prosperity of the four-wheel brake business.

While the Duco and lacquer and other paint people may be doing a thriving business on the bodies, no one but the varnish maker is sharing in the wheel surface trade; natural wood wheels were everywhere. But what the wheels lacked in color was more than made up for by the bodies. They were every color of the rainbow. There were polychrome panelled hoods that looked like a Fifth Avenue display of ladies' slippers.

Painted, Polished and Shined

EVERYTHING in the way of chiaroscuro that the modern air-brush and the striping brush could apply was there. And the nickel business must be good, too, for the radiators and lamps and step plates and other accoutrements were all nickeled up. A number of the radiators had humps on them, and you are going to have to look two or three times to be able to distinguish your old acquaintances in their new radiator designs.

All told, the foreigner who came to the International Motor Congress got an ear full (in his language) at the Congress, and an eye full (also in the language that he could understand) at the show. The general sentiment seemed to be that if the First World Motor Transport Congress at Detroit in 1924 was a success, the Second World Motor Transport Congress in New York in 1926 was a worthy successor.

Have we any other industries in this country ready to invite their manufacturing competitors from Europe and their distributors from all parts of the world to come over at the same time and talk over the business in which they are all interested? Great stuff for international understanding, those head phones!

Organized Business Goes to School

Trade Body Executives to Attend Summer Classes

WHEN THE National School for Commercial and Trade Executives begins its annual two-week session at Northwestern University on August 16, the date will mark the sixth anniversary of a successful enterprise dedicated to the training of men concerned with the direction of organizations serving business men and their communities.

This school, conceived and planned by men actively identified with the chamber of commerce and trade association movement in the United States, is sponsored by the Chamber of Commerce of the United States, the National Association of Commercial Organization Secretaries, the American Trade Association Executives, and Northwestern University.

Easy-Going Days Gone Forever

THE FOUNDERS realized that the easy-going days are gone forever, the days when all a secretary or a staff executive needed was an enduring optimism and a ready handclasp or slap on the back. Nowadays the man who would lead or direct his fellows must have definite information for specific questions. He must have a working knowledge of the important economic and social problems of his times—he must "get down to cases" if he is to be more useful than decorative in his service.

So it was that the founders translated their understanding of a great need into the school at Northwestern, a school that would provide the incentives and facilities for study; that would offer the fine fellowship of books and men; that would make available the counsel of experienced teachers in every field of organization activity; that would give adequate opportunity to think through difficult problems; that would balance the practical nourishment for the mind with wholesome exercise for the body.

In establishing their plan, the founders applied the reasoned belief that, after a fund of experience has been collected, some serviceable way to distribute the fund should be found. Life is too short, they believed, to have every generation repeat the mistakes of earlier generations. They wanted to replace the makeshift process of trial-and-error with a more dependable process. Men coming up to positions of leadership in chamber or association work, the founders knew, could be taught more quickly and more certainly by teaching than by experience, but they made sure that the seekers of knowledge would learn from the learned.

Eligible to attend the school are secre-

When writing to Dodge Manufacturing Corporation *please mention Nation's Business*

Masterbuilt Floors

HARDENED DUST-PROOF CONCRETE



For eight years the Masterbuilt Floor of the St. Louis Municipal Dock has withstood the most destructive kind of service. It has stood up under the merciless pounding of heavy traffic, the endless grinding of steel wheeled trucks and the constant attacks of blistering sun, biting cold and beating rain. Just another of the thousands of Masterbuilt Floors which are constantly proving Masterbuilt Serviceability.



Architects Bldg., New York; Richman Bros. Co., Cleveland; Electro Dental Mfg. Co., Philadelphia; D. Auerbach & Sons, New York; Foote-Schultze Shoe Co., St. Paul; Gilkey Ptg. Co., Cleveland; Montreal Harbor Commission; Eli-Lilly & Co., Greenfield, Ind.; Packard Service Station, Boston.

16 years of proof-by-performance are behind Masterbuilt Floors. The nine buildings in this group represent a total of 803,000 sq. ft. of Masterbuilt Floors with an aggregate of 109 years of service—an average of 12 years each. The youngest floor in the group is 9 years old! All of these floors have seen the hardest kind of service, and every floor is as sound and dust-proof today as it was when installed—typical of the service that can be expected of every Masterbuilt Floor.

TO stay right, concrete floors must be *laid* right. Ten, fifteen, twenty, or more years of maintenance-free, abuse-proof service *can* be built into your concrete floors at the start-off.

A Masterbuilt Floor is a combination of *methods and materials* originated and perfected by The Master Builders Company, which produce a hardened, wear-proof, dust-proof, water-proof concrete floor—in colors or natural gray. Sixteen years of outstanding *proof by performance.* There is a Masterbuilt Floor to meet your requirement no matter what the type of traffic.

Ask your architect!

THE MASTER BUILDERS COMPANY
CLEVELAND, OHIO
Sales Offices in One Hundred Cities
Factories at Cleveland, Ohio and Irvington, N. J.

Not a general specification for all uses but a method which recognizes differing needs and provides tested means of meeting each. Write us your needs and receive illustrated brochure and full data, free.

CORRUGATED sheet zinc

—zinc through and through—

Long Life—low cost. Roofing, siding and fences of Corrugated Sheet Zinc have been adopted in many industries because of these two factors.

Zinc cannot rust. It has no upkeep cost. It gives long-time protection at low cost per year. The saving offered by Corrugated Sheet Zinc construction is worth investigating. Full information on request.

The World's Standard New Jersey Zinc *for Zinc Products*



The New Jersey Zinc Company

Established 1848

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THE NEW JERSEY ZINC COMPANY

160 FRONT STREET, NEW YORK

Send me information on the use of Corrugated Sheet Zinc for roofing and siding for:

TYPE OF BUILDING_____ FIRM_____

MR._____ ADDRESS_____

4-N.B.

taries of all degrees of experience, executives ambitious to qualify for larger responsibilities, beginners, and those who expect to enter organization work. The great majority of the students are secretaries of several years' experience who attend the school to keep up with the advances made in their profession. As students these men may qualify for a diploma in three years by passing the required number of fundamental, technical, advanced, and special courses, some of which are elective.

Included in the curriculum for the coming session, August 16–28, are:

Fundamental Courses: Psychology, Effective Speaking, Social Problems of a Community, Public Finance and Taxation, Marketing and Distribution, Legislation, Accounting and Financial Analysis, Effective Business Communications.

Technical Courses: Organization, Program of Work, Meetings and Committee Management, Membership, Finance, Publicity, Office Administration, Commercial Activities, Industrial Activities, Civic Activities.

Advanced Courses: Organization and Planning of Work, Effective Committee Operation, Membership Building and Conservation, Organization Finance and Business Management, Organization and Community Publicity, Principles of Executive Management, Chamber of Commerce Salesmanship, Meetings of Members.

Special Courses: Industrial Research Development, Problems of the Smaller Community, Social Work—Solicitations—Community Chests, Retail Trade Development, Street and Highway Traffic, Frauds and Fakes, Problems of the Chamber with a Small Staff.

These courses are to be administered by men whose qualifications have been ably demonstrated in university posts or in the world of business.

The school is not a profit-making institution, but it is intended to be self-supporting. The tuition fee is $30, and board and room are obtainable for $2.50 a day. Travel expense is the only other essential item of cost.

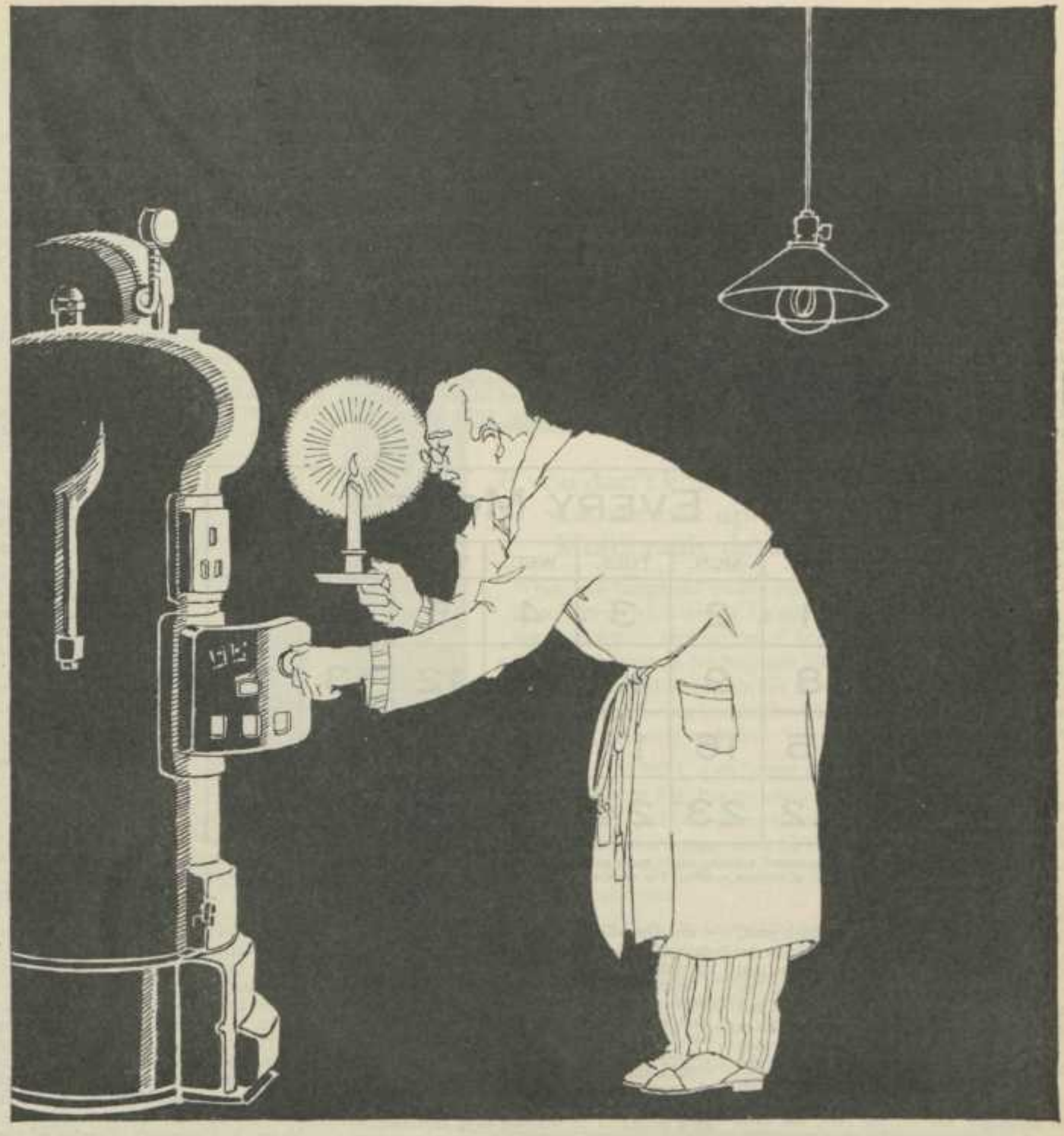
A Workshop For All Ages

THE SCHOOL is a workshop, a laboratory in which men, young and old, in organization service may assemble in the earnest companionship of a common purpose, but in another aspect the school is an exhaustless reservoir of tested knowledge that may be utilized at will by any chamber of commerce or trade association drawing on the student body for executives and staff members.

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Remaking Our Costly Calendar

By NIXON PLUMMER

"THIRTY days had November," and of those thirty, 5 were Sundays, one was a holiday in every state, 2 were holidays in most states and 3 were holidays in nearly half the states.

October, 1925, had 31 days, only 4 Sundays and but one holiday in half the states.

These facts led our own Frank Greene, in explaining why last November showed an apparent falling off in industry, to say:

"Some of this moderation in gains was due to the fact that November was a shorter month than October." In other words, just comparisons couldn't be made.

Take the extreme instance: In Alabama November had 22 working days, for election day, Armistice Day and Thanksgiving were all holidays. Alabama in October last had 27 working days, for it does not celebrate Columbus Day, and the month had but 4 Sundays. A 5-day difference to be allowed for in sales and production records, nearly 20 per cent.

That's only one of the many reasons which support the campaign for calendar reform. The International Chamber of Commerce is in favor of calendar reform, and Willis H. Booth, a former president, is on the Committee of Inquiry of the League of Nations.

ANY YEAR	EVERY MONTH					ANY YEAR
SUN.	MON.	TUES.	WED.	THUR.	FRI.	SAT.
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

The proposed calendar would make uniform the dates of every month in the year, which would consist of thirteen months. The extra month, to be called "Sol," would go between June and July

The outstanding proposal for a change calls for a 13-month year, each of 28 days. The extra month, to be called "Sol," would go between June and July. That would give us 364 days, and the extra one would be a "Year Day" at the end of the year, to be generally observed as a day of rest. Leap year would be taken care of by inserting an extra "Leap Day" at the end of June. All months would begin on Sunday and end on Saturday. Tuesday would always be the 3d, the 10th, the 17th and the 24th of the month.

What Irregular Months Mean

HERE'S another indication of the meaning of irregular months: The Federal Government publishes business indicators, or statistics gathered and analyzed by the Department of Commerce. A few years after the Department began to publish these charts showing the progress of business, it was found that throughout the year there was a surprising irregularity, even though there was a climb of production. A check-up showed that it was because some months had 5 Sundays, some 5 Saturdays, some a holiday or two. The experts went back for a few years, made allowance for the Sundays and different lengths of the months, and were then enabled for the first time to get the true course of business and its real fluctuations.

Here is the way this check was described in the issue of the "Survey of Current Business" of the Department of Commerce for January, 1925:

> The irregular ups and downs in the manufacturing production index sometimes tend to obscure the general trend of industry. These irregularities are due largely to seasonal conditions, and various devices are employed to eliminate them. For the manufacturing production index as a whole, these irregularities appear to be due almost entirely to the difference in number of working days, as the seasonal influences in the individual industries are neutralized in the total.
>
> We have, therefore, made adjustments in this index for the length of working time in each month on the basis reported for the steel industry, which deducts Sundays and holidays (July 4 and December 25) from the total number of days in each month. It is realized that some industries have more holidays in the course of a year, but the variation in this respect as between different industries and different sections of the country is so great that it seemed best to use the standard of one of the principal industries.
>
> With the deduction of Sundays and holidays the number of working days in the year is usually 311, or almost exactly 26 per month. In a month of 26 working days, therefore, no adjustment of the original figures is necessary, while for a month of 25 working days, one twenty-fifth, or 4 per cent, should be added to the original index figure to place it on an equality with the 26-day month. Similarly, for a 27-day month, 4 per cent is taken from the original index, and for a 24-day month, occurring only in February, 8 per cent is added.

November, 1924, had proved the immediate bugbear that led to the adjustment, having 5 Sundays, Thanksgiving (and in some places Armistice Day). According to the original index-determination, manufacturing in November was 110 as compared with 122 in October. The latter month had but 4 Sundays. When a correction had been made, November was brought up to 114 and October down to 117. Business, instead of slumping, had been in good condition.

November of 1925, likewise, had 5 Sundays, and October but 4, and due allowance was necessary, in getting at the business trend, for the extra Sunday and holidays of the shorter month. There was some difficulty then, too. In the case of pig iron, for instance, the first figures for November showed a production of 3,015,000 long tons. When this was revised, the production was found to be 3,023,000 long tons. This was a decrease from October in the first case, while after the adjustment it was found that the production was virtually the same.

November of 1925 affords another interesting illustration of how the calendar affects conditions when comparative statistics are sought. October had 5 Saturdays, and Saturday is a heavy day with the grocery stores. November for various chain stores showed on the face of the figures a falling-off in business from October, sales dropping from $12,142,000 to $9,850,000 in the case of one concern.

Records Confused

A BUSINESS man looking over his year's record and seeing the declines at certain periods—and the short months interfere constantly that way—would be unable to gauge conditions unless he had figured it out by the calendar. The proposed standardized calendar would always have 4 Sundays and 4 Saturdays in every month. Custom having given to various days such distinct importance for one reason or another, there would be always the uniform number of days in each month.

Times for earning and spending are uneven under the present system. It has been said that to find out what a month is a man must go to jail, for there he is serving exactly thirty days to the month. Accounts, rents, salaries and the like that are entered by the month and spent by the week, or vice versa, confuse statistics of the home and of the business office.

Moses B. Cotsworth, director of the International Fixed Calendar League, who is a leading advocate of the 4-week months of 28 days each, has emphasized the statistical importance of the change. He says that a number of concerns have found that the use of even weeks in months brings many practical advantages, and that adjustments of old statistics in their business, which would be required for comparison with the new 4-week months if they are established, would be easy and cost little.

He named the London, Midland and Scottish Railway, comprising 40 per cent of British railways; the General Electric Company, employing more than 100,000 persons in the United States; all the United States and Canadian meat-packing companies; the Atlantic and Pacific Retail Grocery Company's twelve thousand chain stores.

Mr. Cotsworth has noted practical difficulties in business people's using monthly balances of their accounts, especially among re-



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tailers and others paying weekly wages to some employes and monthly salaries to others, because the weeks do not fit the months.

"The far-reaching changes," he said, "in industrial production and business, from private ownership to the collective ownership of vast corporations and companies of limited liability, have developed the necessity for closer watching of the ever-changing trend of business, which can only be fairly tested on a weekly basis or on two- or four-week periods, which do not fit our unequal 28-, 29-, 30-, and 31-day months.

"Because the 3 per cent difference between 30- and 31-day months is such a financial injustice in credit accounts, the vast majority of business transactions throughout the United States, Canada and the 20 nations of Central and South America have ceased to give monthly credits. They almost all do business on the basis of 30, 60, or 90 days."

The changes proposed would eliminate doubt about holidays, birthdays, and religious feasts generally, by fixing definite days for them. One of the first recommendations looks to fixing Easter definitely on April 8, which would be the second Sunday of the month.

An international conference may be requested when the plan is further considered.

"The international treaty, resulting from such a conference," Mr. Cotsworth explains, "will probably fix the dates for the international Year Day and Leap Day, after which each nation while ratifying will insert its national holiday dates, etc., and prescribe by one clause in the calendar law that all existing contracts made on the old calendar's dates shall become payable on the equivalent dates in the new one."

Advantages of New Month

HE HAS listed some of the advantages of 28 days to the month, as follows:

All periods for earning and spending would be equal.

All months would be equal, having exactly the same recurring 28 days, of equal monthly calendar value.

The day of the week would always indicate the monthly date.

Time would be saved, mistakes prevented, costs saved, and confusion stopped.

The complete four weeks would exactly quarter all months, gearing weekly wages to monthly rents, and the like.

Pay days, markets, fairs, meetings, etc., would come on the same monthly date, and this regularity would facilitate business and home life.

Accounts and drafts would never come due on Sunday; permanent monthly dates would be established; every month-end would coincide with the week-end; and there would be no fractions of weeks at the month-end, making monthly balances easier to obtain.

Great statistical advantages would be obtained by making it possible to measure correctly current fluctuations in government, export, import, business, scientific, health, city and home affairs at the end of each month.

The International Fixed Calendar League hopes the year 1928 or 1933 will see their 4-week-months proposal adopted by the nations, because the first day of those years falls on Sunday, and confusion would be avoided at the outset. To that end they are working to bring the matter before all the nations. They believe that it will be almost as easily agreed upon and made effective as Standard Time, which was established by the international conference at Washington in October, 1884.

Putting a City's Figures to Work

By ROBERT H. MYERS

Advertising Manager, Merchants National Bank, Muncie, Indiana

A PROMINENT economist has said, and with truth, "The only legitimate function of statistics is to enlighten the judgment."

In Muncie, Indiana, the Merchants National Bank, cooperating with *The Muncie Star*, since January, 1924, has been compiling and publishing monthly business information about the city of Muncie. The aim was not so ambitious as to attempt a local "statistical control of business." The bank and the newspaper sought, rather, to render an information service to local business men and firms—particularly merchants—in their own city, that would help "enlighten their judgment" in planning and executing business programs.

We know, of course, that business conditions are not uniform all over the country at any time. Witness the changing maps in NATION'S BUSINESS. It follows, therefore, that the merchants in a particular community or locality are most vitally concerned with the activity in their own limited field of operations.

Now, let us be critical. The mere publication of such figures is, after all, of very little use unless local business men put the figures to work. Do they? Have we specific instances of where such figures have proved helpful? We believe we can answer "yes" to both questions. But first let us glance at this local review—and the writer does not know of any other city or town in the country for which a similar compilation is made—and see just what information it comprises.

What These Statistics Are

THE statistics compiled are: Bank debits, railroad carloads received and forwarded, postal receipts, building permits issued and factory payrolls. The first three items are reported in terms of daily averages, as well as of totals, because of the inequality in the length of months. The number of calendar days, rather than the number of business days, is the divisor used in computing daily averages, because of the non-uniform observance of various holidays. Building permit information includes the number issued, the estimated value and the kind of building.

This item has the characteristic of forecasting building activity of the future rather than of the month reported, for the average building operation of any consequence extends over a period of a few weeks up to several months. These first four subjects are covered by total figures for the city, which are obtained from reliable sources and are accurate.

The factory-payroll index, the real pulse of an industrial community, is perhaps the most closely studied indicator in the review. This is because it is an open target for the retailer—it represents money immediately available for the channels of trade; and also because it is the most variable, the most subject to sudden change.



To meet the demands of Florida for lumber, the Northwest pressed even out-of-date sailing vessels into service. This unusual photograph shows a number of these old-fashioned ships unloading at Miami

An Index

UNDER this heading, the figures used do not purport to be the total payroll information for Muncie. Such statistics would be almost impossible to obtain; certainly it would be an exceedingly oner-



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ous task. The figures are a compilation of a group of representative major industries, and are intended as an *index* of the general employment situation in Muncie.

The number of employes and amount paid are reported by *weeks*, for obvious reasons. Since there are fifty-two weeks in the year, and all of the reporting concerns pay weekly, four months of the year contain five "pay-days." Not to separate the figures by weeks would be to present a distorted picture when one of these five-pay-day months is compared with a four-pay-day month. Moreover, reporting by weeks, the reader can follow the trend of the figures from week to week.

These five indicators of local business activity are published each month in a regular daily edition of *The Muncie Star*, and also in *The Muncie Star Junior*, merchandising cooperator of the newspaper. Figures for current month, preceding month and same month a year ago are presented in tabular form for easy comparison. In addition, the review carries a few lines of summarized comment from the reporting concerns, on the business outlook, trend of markets and collections in their particular lines of business.

Someone will say, "But what good does it do? All that information is published *after* it has happened."

Admitted. However, we do not feel disposed to apologize because these published facts *are* facts. Advance information essentially is subject to change; it is a prediction, and not an absolute fact—and we do not attempt to prophesy, but are content to record and publish accomplished facts, which cannot be done until they have happened.

How Are These Facts Used?

BUT what do our merchants do with these statistics—these facts? How do they use them?

I interviewed a number of merchants, including our largest department store, the two largest furniture stores and two of the largest men's clothing stores. I learned many things, which when analyzed I found had to do with, first, the buying program, and second, the merchandising or selling policy of these various establishments.

To be concrete:

Back in March, 1924, rumors became prevalent around Muncie that certain factories were curtailing operations and laying off considerable numbers of employes. The rumors persisted, and were disturbing to the point of uneasiness to more than a few merchants.

Within a week or two, publication of these business facts about Muncie for March was made. They showed no immediate reduction in current payroll figures, but under the summarized comment of the reporting concerns the business outlook was shown to be only fair—a recession from the previous month's outlook. Undue concern among merchants was allayed, and was replaced by an intelligent cautiousness, in which common sense, and not fear, was the governing motive, reflected in conservative buying and aggressive merchandising.

Publication of the April figures revealed a drop in payrolls; not large, but steady from week to week. The comment continued to show only a fair business outlook. The May figures showed further steady declines.

For a few months the business pendulum in Muncie seemed to swing backward. It was a splendid time for merchants to come to the conclusion that business had gone to the dogs. Publication of these figures, however, we believe, gave the thinking merchants

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a true perspective of actual conditions, and they charted their course accordingly.

Again, and more recently, there was the time in December, 1925, when a certain factory temporarily laid off some employes, ranging in number anywhere from two hundred to five hundred, depending upon the source of the rumor. Such rumors are always disquieting to merchants. Of course, right in the height of the Christmas shopping season, there was no thought of price-cutting or merchandise-unloading, but January clearance sales were in the immediate offing for consideration.

The December statistics showed declines in factory payrolls of only seventy-five employes (average) per week, and of some eight thousand dollars in average amount disbursed, as compared with November. These declines were caused by the Christmas week-end shut-downs mostly, and still left a big margin of increase over December, 1924. Obviously, the report showed nothing in the situation to cause undue alarm.

On Guard Against Extremes

THESE two incidents illustrate what we believe to be the chief merit, possibly, of this information: The monthly publication of these cold facts lessens the unsafe extremes of both wild optimism and deep pessimism. It is said that the greatest factor controlling business is psychology—the state of mind of the men who direct and manage the business of the country. If in publishing this information about Muncie's business activity we can give local business men the *facts* that will help them avoid dangerous psychological extremes, we believe that our efforts are worth while; that the published information justifies its existence by the use to which it is put.

There is another point of usefulness in this information, suggested to us by a local merchant: It is a measuring stick for sales. If current payrolls increase over last year's figure, this merchant reasons that his store should show an increase of sales in the same percentage as the payroll increase. If the payroll figure declines, he tries to keep his sales-decline percentage below that of the payroll-decline percentage.

"We used to guess whether business around town was good or not in the old days," is the way he puts it. "But now we don't have to guess. If business is good in Muncie, I *know* it now, and it's my business to see that it's good in our store. If general business falls off a little, I don't go into a blue funk and believe every rumor peddled around, because I've got, or soon will get, the *facts*. It's our business here to keep one jump ahead all the time."

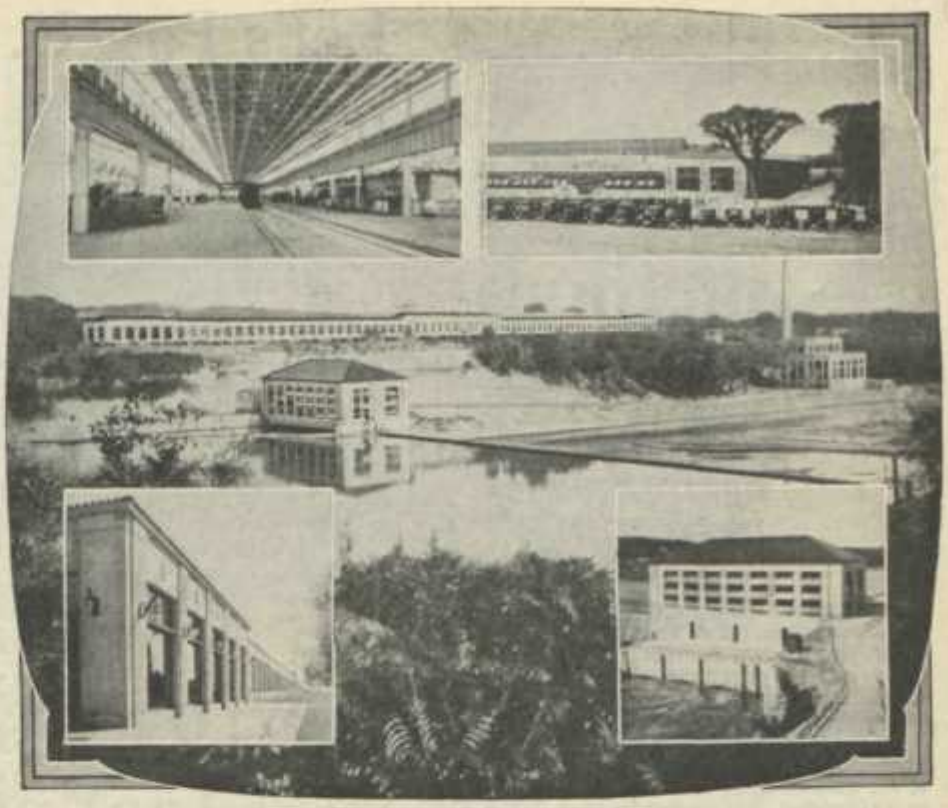
Congress and Checks

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IN this Ford manufacturing plant designed and built by Stone & Webster at St. Paul, Minnesota, the ground area of the single-story main building is nearly twenty acres* and the capacity of the power plants, one steam and one hydroelectric, on the Mississippi, is 25,000 horse power. Albert Kahn was Associate Architect on the main building.

Materials for manufacturing enter the main building and are unloaded direct from the railroad cars. It is planned to have the finished product descend by elevator 100 feet to a terminal chamber and go thence by tunnel 700 feet to a boat landing for shipment by water.

*[The building is 1400 feet long by 600 feet wide.]

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INDUSTRIAL MANAGEMENT, February, 1926



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* Stocks of Oakite Materials are carried in these cities.

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Let's Pay U. S. Judges More

A BILL providing for increased salaries for federal judges has been reported to the House by the Committee on Judiciary. This bill proposes a salary schedule that would materially increase the pay of the Justices of the Supreme Court of the United States, United States Circuit Judges, United States District Judges, the United States Court of Customs Appeals, the Court of Appeals of the District of Columbia, the United States Court of Claims, the Supreme Court of the District of Columbia, and the Board of General Appraisers. A similar bill is pending before the Senate Committee on Judiciary.

Present salaries and the salaries proposed in the House Bill are as follows:

	Present Salary	*Proposed Salary*
Supreme Court of the United States:		
Chief Justice	$15,000	$20,500
Associate Justices	14,500	20,000
Circuit Judges	8,500	15,000
District Judges	7,500	12,500
Court of Claims:		
Chief Justice	8,000	15,500
Associate Justices	7,500	15,000
Court of Customs Appeals:		
President Judge	8,500	15,500
Other Judges	8,500	15,000
Court of Appeals, D. C.:		
Chief Justice	8,500	15,500
Associate Justices	8,500	15,000
Supreme Court of the District of Columbia:		
Chief Justice	7,500	13,000
Associate Justices	7,500	12,500
Board of General Appraisers of the United States	9,000	12,500

Federal salaries in the United States are out of line with salaries offered by certain states and by foreign governments.

Chancellor Receives Large Sum

FOR INSTANCE, the Lord High Chancellor of England, a position corresponding to the Chief Justice of the Supreme Court of the United States, receives the equivalent of $50,000 a year. The Lord Chief Justice of England receives approximately $40,000 a year. Other positions in the judiciary of England, corresponding to the Supreme Court of the United States, have salaries ranging from $25,000 to $30,000.

These figures are typical of the general situation in England, where the entire judicial structure is based on salaries greatly exceeding those provided for American federal judges. District Judges in this country are paid $7,500, while justices of the outer house in England, positions somewhat corresponding to our District Judges, receive about $18,000 a year.

In Scotland, in Ireland, in India, and in South Africa salaries of judges greatly exceed American salaries and in many cases are twice the amount paid in this country to judges occupying corresponding posts.

State-court Salaries High

IN MANY state courts in America judges receive salaries far in excess of salaries paid Federal District Judges and in some cases greater than the salaries paid Justices of the Supreme Court of the United States. As stated above the present salary of Federal District Judges is $7,500, of Federal Circuit Judges, $8,500, of Justices of the United States Supreme Court, $14,500. These salaries compare unfavorably with state salaries cited by the House Committee on Judiciary as follows:

A justice of the Supreme Court of the State of New York (the lowest court of general jurisdiction) receives in New York City two and one-third times as large a salary as a judge of the United States District Court, for the salary is there fixed at $17,500. Elsewhere in the State the salary is $10,000, while the salary of a judge of the court of appeals in New York is $13,700.

In Massachusetts a judge of the superior court is paid $10,000 and a judge of the supreme judicial court $12,000.

In Pennsylvania a judge of the supreme court receives $17,500 and of the superior court $16,000. In Philadelphia and Pittsburgh a Common Pleas judge receives $11,000.

In New Jersey a judge of the supreme court or a vice chancellor is paid $18,000 and of the circuit court $16,000.

Illinois pays a judge of the supreme court $15,000.

Michigan pays a supreme court judge $10,000, while some of the circuit judges receive $11,250.

Other examples almost without number could be assembled in which special masters, receivers, or trustees have been paid many times the salary of a Federal judge for services less onerous and exacting.

No factor in the preservation of the integrity of our government is more important than the judiciary.

Present Judicial Pay Inadequate

THE prestige and the effectiveness of the courts are determined largely by the character of the men who serve. It is an admirable commentary upon the prestige of our federal courts that jurists of high character have been willing to serve faithfully for compensation much below their worth as members of their profession. This is a sacrifice that many men cannot make and inadequate salaries provided have led many eminent men to decline appointments or to relinquish their offices.

Low salaries constitute a menace to the administration of justice. In filling judgeships the field of choice is often limited by the salaries offered. In the profession of law the rewards for competent men are high and, therefore, it becomes necessary to offer liberal salaries in most cases in order to attract the type of men who ought to serve the courts of the United States. It seems a dangerous and short-sighted policy to jeopardize our judicial structure by adhering to salary standards that deter highly qualified men from accepting appointments in the judiciary.

The problem is not merely a question of retaining present judicial personnel. Looking to the future we should build a tradition for the judiciary that will induce the best men in the profession to plan definitely for careers as judges.

Such inducements must include assurance of salaries that will adequately care for the economic needs of judges and their families, and will provide educational and social opportunities that will constitute a full and satisfying life such as these men would expect to enjoy as lawyers privately practicing their professions.

This subject has received the attention of many organizations representing the best thought in America. By fixing the compensation of our judges at an adequate figure a great deal will be accomplished toward the establishment of the independence of our courts which will mean a further safe-guarding of the rights of citizens and of American institutions.



Changing Stocks Do *Not* Antiquate Lyon Steel Shelving *for Churchill Drug Co.*

THE Churchill Drug Company never tears down old and builds new facilities for storing its changing stocks. A quick readjustment of their Lyon Steel Shelving and the system is ready for the new order of things.

The entire installations, in their three wholesale houses at Des Moines, Burlington, and Cedar Rapids, Iowa, can be rearranged with no loss. They can be expanded without confusion. Lyon Steel Shelving is strong enough to stand many movings. It is the strongest standard steel shelving made. And being standardized, additional units can be added with no part of the equipment becoming obsolete.

Flexibility, standardization, strength and lasting finish render Lyon Steel Storage Equipment exceptionally well suited to a growing or a changing business. You can buy a few units of Lyon Steel Shelving and add to it as your needs expand or as you discard the old system—build your steel storage system by easy stages. Or you can completely equip your business at once in accordance with a well developed plan—a plan of efficiency, convenience and economy.

Lyon Engineering Service

Lyon Engineers help on many storage plans. They will study your needs and present, in blueprint form, complete recommendations for tool room, warehouse or stock room. This service is without cost to you. Write today—whether you accept this offer or not, for literature on Lyon Steel Storage Equipment.

LYON STEEL PRODUCTS

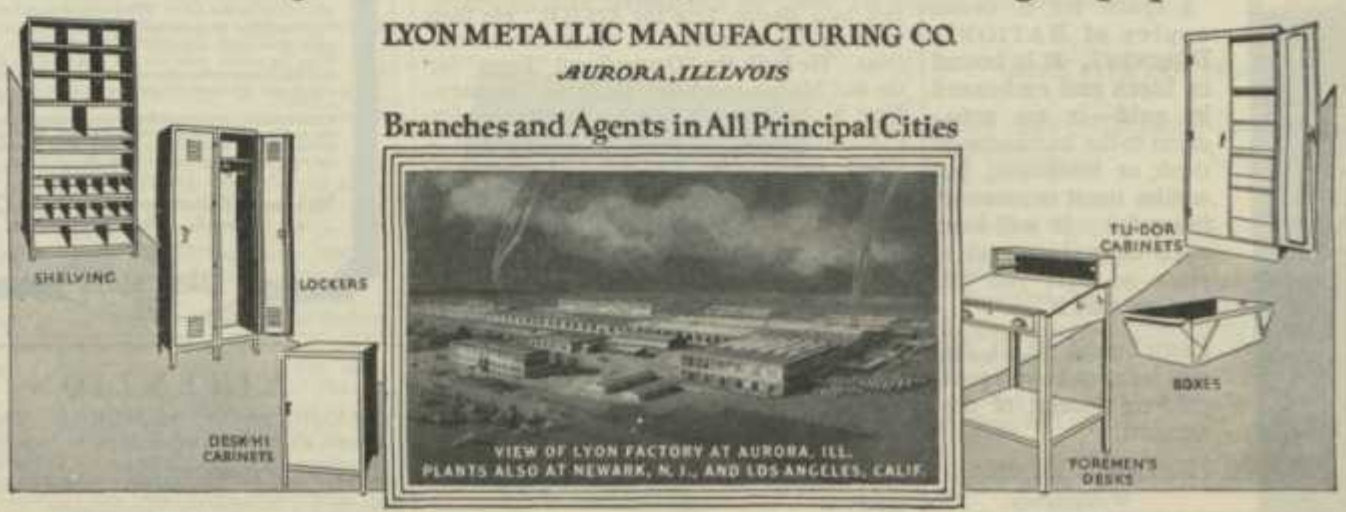
LYON STEEL STORAGE EQUIPMENT

Steel Shelving, Lockers, Boxes and General Steel Storage Equipment

LYON METALLIC MANUFACTURING CO.

AURORA, ILLINOIS

Branches and Agents in All Principal Cities





RIDE TO HEALTH in your own home

ENJOY the sport of Kings and Queens! Set the pace to suit your fancy—get the tingling vibrant health-giving thrill of a brisk canter, a snappy trot, a racing gallop—*without leaving your own home*. Whip the rich color into your cheeks, send red blood coursing through your veins, tone up your muscles, banish that dull listless feeling, get rid of flabby fat and build solid healthy flesh. Fifteen minutes daily astride this ingenious appliance will double your joy of living. The Battle Creek Health Horse is a marvelous sport, a vigor builder, a creator of fine youthful figures, a restful tonic—all rolled into one

Famous Men and Women Ride This Way

Hundreds of world-famous people, including President Coolidge, prominent statesmen, big business executives, leading society women—are now using the "Mechanical Horse" to keep physically fit. The Battle Creek Health Horse reproduces exactly the health-giving benefits of horseback riding without the risk and expense of keeping a live animal. Easy to operate, sturdily built, always ready for service. Without obligation on your part let us send you the free brochure "KEEP FIT" telling about this fascinating new sport now sweeping America—this enjoyable new way to keep well and young. Write today!

SANITARIUM EQUIPMENT CO.
Suite 78, GOOD HEALTH BLDG., BATTLE CREEK, MICH.



THIS BINDER has space for a dozen copies of NATION'S BUSINESS. It is bound in black and embossed in gold—is an ornament to the handsomest desk or bookcase, but unlike most ornaments is useful. It will keep each copy clean and in place so that you can always find it.

Cloth bound $2.50, and will be sent to you postpaid on receipt of that amount.

NATION'S BUSINESS
Washington

Birthday Banquet Recalls Genius

A LITTLE-KNOWN American inventor was Seth Boyden, whose genius led him to discoveries that have served as foundations of several modern industries. His part in building American industry was brought to light at a recent banquet at Newark, N. J., when the centenary of a foundry which he started was celebrated.

A list of his inventions is imposing enough without mention of the circumstances surrounding the discoveries. It is enough to fire the imagination to wonder at the range and thoroughness of this versatile man's mind. Malleable iron, patent leather, brad and tack making machines, a cut off for steam engines, a method of producing zinc from ore—these were only a few outstanding examples of the discoveries of this busy man. At the time of his death at the age of 74, in 1870, at Hilton, N. J., he told friends that he had enough experiments on hand to last two whole lifetimes. He was then experimenting principally with bronze, but found time to devote to his garden, and succeeded in leaving a reputation as a horticulturist, developing strawberries which were distinguished for their flavor and size. Fifteen berries weighed sixteen ounces.

He Perfected Malleable Iron

PROBABLY his outstanding performance was his completion of a process for producing malleable iron. He had worked in his grandfather's forge shop and blast furnace as a boy, and had once noticed that a bar of iron, which became lodged in the brick walls of the forge, was annealed and workable when taken out of the furnace. From this fact he worked on the theory that the workability of iron depended upon the heat treatment. In 1826 he brought his experiments, which lasted six years, to a successful close. In 1828 the Franklin Institute of Philadelphia awarded him a premium for buckles and other malleable castings.

He wrote: "The improvement consists in mixing rosin, pitch or tar, with bituminous coal and applying it as a fuel for melting castings; the coal is pulverized and broken into pieces of a size suited to the furnace grate, and mixed with rosin, pitch or tar, in a proportion as the intensive heat is required, diminishing in proportion as the rosin is increased."

He started a small foundry to produce the new metal, but his attention was soon diverted to other lines, and he sold his interests to a Boston firm for $25,000. He then took up the manufacture of steam locomotives. He built the "Orange" and "Essex" for the old Morris and Essex Railroad Company. Next he built and installed a locomotive for a Cuban railroad. Then he constructed a steam engine for the Newark Lime and Cement Company, for a contract price of $1,000. This engine is now on exhibition in Newark.

As a boy he showed unusual traits. At fifteen he repaired watches and constructed a telescope, a microscope, a rifle and an air gun. At eighteen he engraved a picture of George Washington and painted a miniature of himself on ivory. A year or two later he constructed his tack machine and his wrought-iron nail device. A method of splitting hides which he perfected at 21 is still used by bookbinders. He engraved his own business cards.

In 1849 the gold fever was in his system,

FIRE DESTROYS HOTEL BUILDING



Council Bluffs, Iowa, April 3, 1926.—Fire raging in the business district here in December, 1925, destroyed the seven-story Grand Hotel Building.

A Meilink Steel Safe of the Binder-McCargar Co. was recovered from the ruins, after a long drop, the impact of heavy falling steel girders and the crushing weight of wreckage. Opened after two days, the safe delivered its contents in perfect condition.

The loss of your valuable records may mean your business ruin. Meilink Steel Safes will protect them. Meilink Safes withstand terrific heat and have the *structural* strength to resist long drops and great strain.

They are not only laboratory tested—they have a record of better protection gained in actual fires. There are over 50,000 Meilink-Built Steel Safes in use.

Underwriter's label and lower rate burglar insurance (20%). Write for more evidence of amazing performance in big fires and burglaries. Get estimates on better protection for *your* records and valuables.

THE MEILINK STEEL SAFE CO.
Dept. "B" TOLEDO, OHIO

Better Protection MEILINK BUILT SAFES



MAKE FILING EASY and FINDING SURE

Change your files from masses of crumpled and misplaced letters to orderly speedy records by using FIBERSTOK red file pockets.

These pockets eliminate bulging and overcrowding in the files. They allow each letter to go all the way into the file, protect every edge and keep the index always visible.

When you want a paper you just turn down the diagonal flap, examine the contents without removing from pocket and withdraw the paper you want, clean and unsoiled.

FIBERSTOK red file pockets have a capacity from one to three hundred letters. They will outwear a dozen ordinary manila folders and can be used over and over again. Write for FREE sample today.

Sold only through retail dealers

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ATTENTION

CHAMBERS OF COMMERCE. Nationally known shirt company desires to locate manufacturing plant in small town. What inducements have you to offer? Address Box 106, NATION'S BUSINESS, Washington, D. C.

and he was a year seeking gold. When he returned to Newark, he was given a reception which was a local celebration. Cannon were fired to mark his return and the whole town was present. He was soon back at work, and in a few months had turned out an improved process for the production of Russian sheet iron.

As well as something of an artist with oils, he was an accomplished violinist. The first daguerreotype in this country was said to have been produced by him. One of his most interesting devices was a slate with strings stretched across the face so that he might make notes in the dark of the ideas which occurred to him while in bed. It has been stated that he helped Morse with the invention of the electric telegraph.

While the versatile Boyden did make large sums of money from his inventions, for his time, he was not in any sense a successful business man. During the last days of his life he was forced to work for a small wage to obtain the barest necessities of life. His friends tried to collect a relief fund, but he heard of the plan and stopped it.

The firm which he founded to produce malleable iron has had an enviable history. It is now the Barlow Foundry, Inc. The fact that many of the foundries of the Newark district were founded by men trained in this shop attests the worth of the institution founded by a great American genius.

Peaks and Valleys of Business

OLD jokes regarding "lying statisticians and statistics" fall flat in the face of our present need of more and better factual data in modern business management and intelligent industrial control, says the Department of Manufacture, Chamber of Commerce of the United States, in bulletin No. 38. In part, the Department says:

Trade associations can render to their members no more valuable service than perfecting their methods of gathering, compiling and reporting to them and making available to the Government and public, current figures which will give a composite picture of what is going on in the industry. It is on the basis of such facts that not only the producer, distributor and consumer may act intelligently but also the Secretary of Commerce is enabled to report the trends of industry and business.

The peaks and valleys of supply and demand in commodity markets—sometimes called the "ups and downs" in business—are due in no small degree to the lack of dependable figures to guide or influence judgment in the individual regulation of production and distribution. Individual errors in estimating or guessing as to production, shipments, stocks, etc., in the aggregate often culminate in overproduction and the stagnation of distribution in many lines, to the great loss and detriment of all concerned.

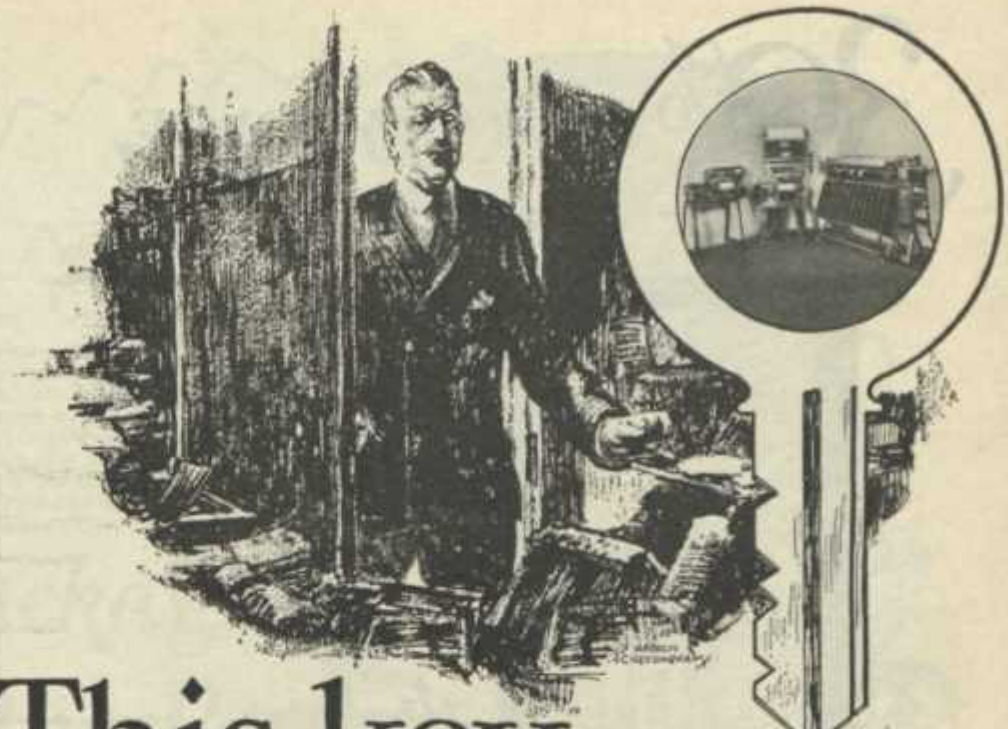
Why don't we have these vital figures?

The answer is, we do, in a number of outstanding and successful lines which appreciate their value—but with the remainder the chief reason is the unwillingness of business to give up its figures because it has not fully realized the value and use of statistics in business management.

The task of the trade association in dealing with this problem is twofold.

First—to convince its members of the great value of developing vital facts as to what is going on in the industry and the practical use which may be made of them in control and management.

Second—since the Supreme Court has stamped with its approval the gathering and distribution of trade statistics as information, as a legal and



This key *opened the dark room!*

A large manufacturer of automobile tires knew that current basic FACTS about his business lay hidden behind a locked door . . .

HIS OFFICE was filled with tons of detail sales data. But he was never able to analyze it quickly enough to use the current basic FACTS. These facts remained as securely hidden as though they were locked in a pitch-dark room.

Then he found the Key which unlocked doors and let light in . . . He began using Powers mechanical accounting methods.

Powers methods gave him an exact "x-ray" of his business. For the first time, he got the current basic FACTS underlying the conduct of his business *in time to make use of them.*



SEND FOR PORTFOLIO

Powers Accounting Machine Corp.
115 Broadway New York City

HAVE YOUR SECRETARY FILL THIS IN

Powers Accounting Machine Corp.
115 Broadway New York City

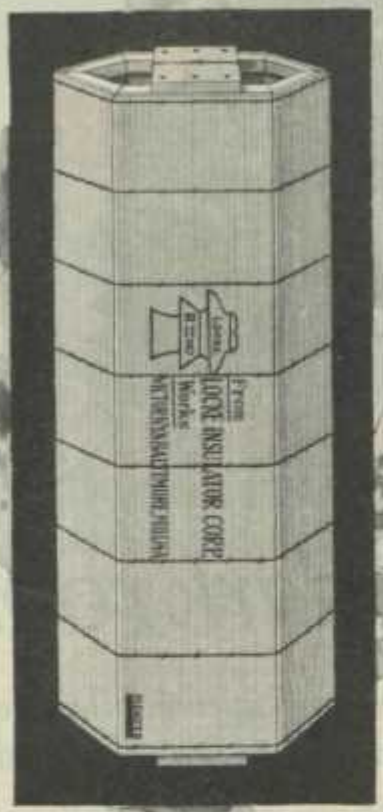
Without obligating us, kindly send the portfolio "*Analyzing Sales and Production Mechanically,*" which illustrates how well-known concerns use Powers methods to keep their businesses clear and transparent.

Mr. _____

Address _____

When writing to Powers Accounting Machine Corp. *please mention Nation's Business*

30% CARGO SPACE *saved* by use of PIONEER BOXES



The hexagonal Pioneer Self-Strapped Boxes used by Locke Insulator Corporation fit together in a car or ship's hold as efficiently as cells of honeycomb. As a result the cargo space required for a certain number is reduced by 30%.

Breakage is nil. The shape of the Pioneers prevents shifting and the porcelain contents are further protected by cushions of veneer, developed by General Box Engineers, furnished as part of the box. For ten years these specialized Pioneers have delivered Locke Insulators in Europe without a single breakage report.

General Box Engineers will work with you to cut your shipping costs and losses, in foreign and domestic trade. No cost to you. Read in "General Box Service"—bulletins of information on better boxing and crating methods—what others have done. Read, too, "Incoming Shipments" that discusses boxes from the receiver's point of view. Write us for these booklets.

GENERAL BOX COMPANY
504 N. Dearborn St. · Chicago, Illinois

Factories—Bogalusa, La., Brooklyn, N. Y., Cincinnati, Ohio, Detroit, Mich., East St. Louis, Ill., Illmo, Mo., Kansas City, Mo., Louisville, Ky., Nashville, Tenn., New Orleans, La., Sheboygan, Wis., Winchendon, Mass.

GENERAL BOX SERVICE

ONE COMPLETE SERVICE FROM TIMBERLANDS TO FINISHED PRODUCTS

legitimate activity for trade associations to engage in, associations should reconstruct where necessary, their machinery and methods of developing and reporting facts of interest to those concerned. . . .

Since the court decisions, many associations have gone into this work. We have gathered for your information much data as to what is being done and are prepared to consider your situation if you afford us the opportunity.

They "Tell" the Boss—and He Likes It

IF YOUR boss suddenly called you in for luncheon, would you think it a good time to turn loose on his product, call it rotten, badly packed, badly installed, often, and badly in need of vital improvement in its cardiac organs?

There was a boss who called a lot of his men in recently and gave them a dinner at which he himself presided. And he called on his "boys" for little talks. I was a stranger in their midst. But I think the next ninety minutes were full of hotter ear shots and warmer "mouthsfull" than I had heard for a long, long time.

"Say, boss," said one young man, "that darned form you sent me to fill out. It wasn't cut to fit a typewriter, and I had to waste an hour writing the answers. Can't you print the stuff the other way on the paper and fix it so it will fit a writing machine?"

There was applause all over the house. The "kid" had spoken a wish of all. The boss—he just smiled and took notes. And called for more.

"The expansion valve is rotten. It sticks and I get a lot of kicks about it. Your competitors have it all over us on expansion valves." Again applause—and again a grinning boss, with pencil in hand and a call for more.

And there was more—an hour and a half of it with the principle of *lese majeste* sunk without a trace. Going to meetings had been my sole occupation for twenty years, but I had never been to one like this.

And this "so's your old man" stuff was right out in meeting with the Old Man in the chair. How could it be? A glance around the room seemed to give an answer. My experience had been in the Little America of Yesterday.

Big Americans of Tomorrow

HERE was a gathering of Big Americans of the Big America of Tomorrow. In acres of factory space behind this meeting room was manufactured a product sold all over America and Canada. Here were the "boys from the field," called in to meet the Old Man after years trying to tie his product into consumer demands. All had met difficulties. They had blocked sales. The big thing the Old Man wanted was sales. The big thing his young men wanted was a product from the Old Man that would "knock down sales resistance."

And so they dissected the Old Man and all his works as impartially as if he had been a test tube specimen in a laboratory. And the Old Man took it just so. He emerged smiling, called his staff around him, and gave orders for shifts in about every factory process there was, and office policy as well. He had learned that it took both himself and his "gang" to get his great big game across. And both he and the gang emerged with a sense of teamwork, unknown in the Older Way.

—I. K. RUSSELL.



For Analysis ~ THE CHEMIST

Any business can buy an outfit of the test-tubes, retorts, beakers, filters, acids, etc., etc., necessary for either a quantitative or qualitative analysis. Instead business executives seek specialized service in such matters, because the materials and equipment mean nothing unless used with expert knowledge.

The materials of which a shipping package is made is of no more importance than the *brains* and experience which go into its design. Many can see what the box should be made of—few can design and manufacture the box exactly right.

For Packaging ~ the Package Engineer



He *Knows* Packages—

THE Jefferson Glass Co., Follansbee, W. Va., reports that some fifteen months ago, an H&D "P.E." designed cartons for their extremely fragile illuminating glassware. Experiments with about 10% of their shipments proved so satisfactory that 85% of their products are now packed the H & D way. Shipments weigh from 8 to 50 lbs.

In addition to a saving of 30% in packing time, the packages are now 40% lighter than formerly, thereby saving customers thousands of dollars annually in shipping charges.

A SHIPPING box isn't "just a box." It's a means of holding—or losing—customers, of decreasing or increasing damage claims, of saving labor or wasting it, of reducing freight expense or paying needless charges.

In which class is *your* shipping box?

Let an H & D "P. E."—*Package Engineer*—study your present methods and tell you how they match up with the best modern practice. He will bring to you the experience of a thousand shipping rooms, plus his own first-hand factory-trained, laboratory-schooled knowledge of the manufacture and design of top-quality boxes.

And his service and counsel will not cost you a nickel.

Why and how we can afford to give this unique service is explained in detail in our book, *"How to Use H & D Free Service."* Send for it—use the coupon or write.



The HINDE & DAUCH PAPER Co.
304 WATER STREET SANDUSKY, OHIO

Canadian Address
Toronto: King Street, Subway and Hanna Ave.

The World's Largest Producer of Corrugated Fibre Shipping Boxes and Packaging Materials.

THE HINDE & DAUCH PAPER COMPANY
304 Water St., Sandusky, Ohio.

Please have a Package Engineer call. . . . . ☐

Send me copy of booklet, "How to Use H & D Free Service." . . . ☐

Name of Company.....

Name of Writer.....

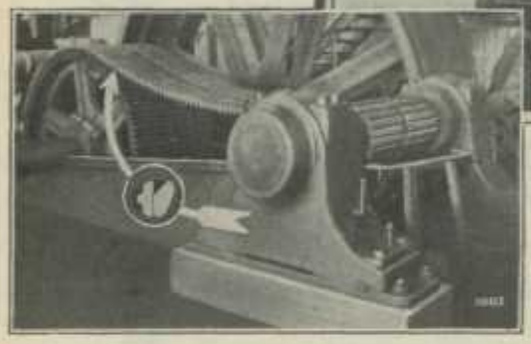
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CORRUGATED FIBRE SHIPPING BOXES





500 H.P. Morse Silent Chain Drive from Motor to 16" rolling mill. Speed reduction: Driver, 505 R. P. M.; Driven, 93 R. P. M., 118-inch centers.

SIMMONS STEEL BEDS *in construction*

The great shops which produce Simmons Metal Beds "Built for Sleep" never sleep. In normal times the rolling mills often work both day and night. Naturally, they must be driven by dependable machinery. That is why Morse Silent Chains transmit the power from a 500 H. P. motor to the rolls—meeting sudden load changes, starting, stopping, reversing—the hardest kind of service.

For one-tenth or 5,000 H. P. the same results are possible.

Belt-flexible, gear-positive, 98.6% sustained efficiency. Over 5,000,000 H. P. installed and many still operating after 15 to 20 years of service.

Booklet "A Chain of Evidence" on request

MORSE CHAIN CO., ITHACA, N. Y., U. S. A.

Branches in Principal Cities

When writing to Morse Chain Co. please mention Nation's Business

How Many Trains Are Enough?

By ROBERT S. HENRY

Of the Nashville, Chattanooga and St. Louis Railway

HOW MANY passenger trains are enough for a town?

The answer used to be, "As many as the railroads can be persuaded or compelled to run." The more the better. Great reliance was put in free and unlimited competition to produce the best possible passenger service. But here comes the secretary of a chamber of commerce and tells the Interstate Commerce Commission that six trains a day, where the three railroads concerned are now running ten, would be ample for his town. To one who has heard the anguished and angry protest that used to go up whenever anybody proposed to take off a passenger train anywhere, that statement is so astonishing as to merit at least two or three exclamation points after it—thusly, !!!

Duluth Takes Novel Stand

THE Chamber of Commerce which took this revolutionary stand was that of Duluth. The matter before the Commission was the proposed pooling of passenger service between that city and St. Paul and Minneapolis by the Northern Pacific and the Soo Lines, a proposal that was approved and will be put into effect. Three railroads from the Twin Cities to the head of the Lakes have been operating ten trains a day. Three of them left within 25 minutes. Hereafter there will be but two of them, one run by and for two of the railroads.

The thing that is to be done in Minnesota is a step toward the arrangement that has been in effect for several years between Seattle, Tacoma and Portland, where three railroads, the Northern Pacific, Great Northern and Union Pacific, are operating six trains a day each way, properly spaced so as to give maximum service at minimum cost. That other similar arrangements may be worked out elsewhere is entirely possible.

This possibility rests upon the new spirit in the law, which permits pooling of service and revenue under Interstate Commerce Commission authorization, and a new appreciation on the part of a great many people that unmitigated passenger competition is not always an unmixed blessing.

This may be best illustrated by comparison of the passenger service between New York and Boston, on the one hand, and between Chicago and several Western cities, on the other. Between the two Eastern cities there is no passenger competition. A total of twenty-seven trains are run each way daily, over three different routes under the same control. These trains are so spaced that eighteen depart between 8:00 a. m. and 6:00 p. m., averaging nearly one every half hour.

Between Chicago and St. Louis there are four lines offering a fine passenger service, with nonstop midnight fliers and 6¼-hour day trains of luxurious special equipment. Among them they operate 19 trains each way daily—but with the exception of one train they are run in flocks, with departures at but four times during the day. So between Chicago and Omaha, where five lines offer a total service of nineteen trains each way daily, there are group departures in the mid-morning, the early evening and the late evening. Between Chicago and the Twin

Cities, with six railroads offering passenger service over seven lines, there are five trains leaving Chicago between 11:00 p. m. and 2:00 a. m., three between 10:20 a. m., and 10:35 a. m.; six between 5:30 p. m. and 6:35 p. m.; and four at scattering hours.

Where economy can be combined with an actual improvement in convenience and frequency of service it may be expected.

"Self-Government in Business"

"SELF-GOVERNMENT in Business" or as Secretary Hoover expressed it, "If Business Doesn't, Government Will," is the important subject around which will be built the 14th annual meeting of the U. S. Chamber at Washington, May 10–13.

Leaders in both government and business will lay bare those questions which trouble business and the people's representatives in legislatures and Congress, and from the discussion American business will chart its course for the coming year.

Closely connected with the main theme and, in fact, growing out of it, two subjects will be emphasized on the main program: Local and state taxation and budgeting; and relations of the states and the Federal Government.

Various business groups will extend the study of self-government into several definite fields, such as:

DISTRIBUTION: Principles which should be applied to instalment selling from both merchant's and banker's standpoint. The Trade Relations Committee as a means for developing self-government in business.

INSURANCE: Supervision and regulation of insurance. Insurance service, 1925-26. Compulsory automobile insurance.

NATIONAL RESOURCES: Government and business in their relation to hydro-electric power, coal, and oil.

AGRICULTURE: The outlook. What of the corn belt? Industry's stake in cooperative marketing.

CIVIC DEVELOPMENT: The realtor and his community: How far can self-imposed standards of practice do away with the need of regulation by state or municipality? The opportunity of organized real-estate business in city building.

MANUFACTURES: Foreman training, important to industrial relationship. Selling your business to your employes—essential to plant self-government.

FOREIGN COMMERCE: How American Chambers of Commerce abroad help the American foreign trader. Relation of American Chamber abroad to United States and foreign Governments. United States dependence on foreign raw materials.

TRANSPORTATION: Federal aid to highways. Regulation of motor common carriers. The city traffic problem.

FINANCE: National bank legislation. Problems of state banks, and of public finance.

National Councillors of the Chamber will meet on Monday, and Monday evening the annual dinner of the International Chamber will take place.

Thursday afternoon will be given over to recreation, sightseeing, and a golf tournament in which states and cities will compete for prizes on the nationally known Columbia Country Club course.

A banquet in the auditorium Thursday evening will conclude the program.

Detailed information will be published in this magazine next month.



W. T. Hooven, Jr.
Secretary and General Sales Manager of The Hooven Mercantile Company, one of the oldest wholesale grocery companies in the country. Through The Dictaphone Mr. Hooven keeps in daily touch with his company's 9 branches and 50 salesmen.

Shorthand was a daily drag

Now he finds it easy to keep in touch with his whole salesforce

Read how W. T. Hooven, Jr., doubled his capacity — and you'll take advantage of our coupon offer.

FIFTY salesmen on the road selling groceries. Nine wholesale warehouses and district managers scattered over Northeastern Pennsylvania. Behind them, in the office of the Hooven Mercantile Co., Brooklyn, a man who keeps in daily touch with his whole salesforce.

Each salesman's daily report gets an immediate reply—some pointed criticism or helpful suggestion. Each knows that W. T. Hooven's mind is on him, watching him. This everlasting watchfulness of sales explains the reputation of the company for service. It explains the extraordinary success of "Black Label" canned foods.

But what explains the watchfulness? The Dictaphone! "I turn to it," says Mr. Hooven, "as freely and frequently as if it were a telephone with the right party waiting and listening. I get quicker action than is possible with shorthand. With shorthand, prompt thinking and acting are stifled. Ask any stenographer.

"I don't see how I ever got along with shorthand. I've practically doubled my output since the old inefficient notebooks were thrown out of our business."

Yet he has actually lightened the burden for his secretary, Miss Mata Beckmann! "With The Dictaphone I never have to work overtime any more, or leave something to be done next morning," says Miss Beckmann. "The machine is so accurate, too, that I no longer worry over possible mistakes in price quotation or quantities. Saving so much time and nervous energy, I've had a chance to develop the executive possibilities of my job."



Mata Beckmann
Secretary to Mr. Hooven. "In the time The Dictaphone saves me," says Miss Beckmann, "I keep the salesmen informed on the daily price fluctuations, and cover other important executive duties."

DICTATE TO THE DICTAPHONE

and double your ability to get things done

What's Wrong With Shorthand?

Secretaries say:—

"He talks so fast, I'll be getting writer's cramp soon."

"No one else can read my notes."

"I'm nothing but a bell hop."

"Yes, I do mind staying late."

"Those awful waits while he chats over the 'phone."

That's enough! I'll show him this trial offer right now.

MAIL WITH YOUR LETTERHEAD

Dictaphone Sales Corp., 154 Nassau St., New York City

☐ I want to read what leading executives or secretaries say about increasing their ability with The Dictaphone. Mail me FREE copy of your booklet, "What's Wrong With Shorthand?"

I am a Secretary ☐ Executive ☐ *(Check One)*

☐ Please notify your nearest office to lend me a New Model 10 to try. I understand that this loan involves no expense or obligation.

For Canadian inquiries address, Dictaphone Sales Corp., Ltd., 55 Melinda St., Toronto, Canada.
World-wide organization—London, Paris, Brussels, Sydney, Shanghai, etc.

BLOXONEND
—the Profit Producing
FLOORING

A FLOORING that combines the durability of paving blocks with the smoothness of tongued and grooved flooring. *That's* BLOXONEND!

Faster and safer trucking between departments is possible when the flooring is BLOXONEND. Jolts and bumps eliminated—loads "stay put" and reach destination intact. Wear and tear on trucking equipment minimized—floor repairs negligible. A comfortable working surface—ask the workmen.

Surely BLOXONEND is a *profit producing flooring.*

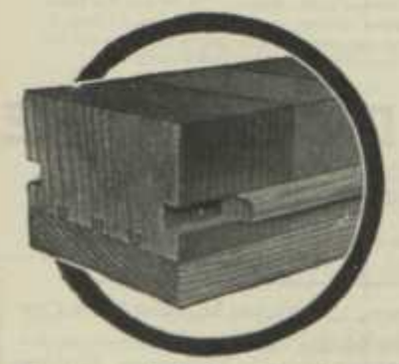
BLOXONEND is constructed of small tough Southern Pine blocks anchored together onto baseboards into 8 foot flooring lengths. Laid over old or new concrete or wood floors without interrupting operations.

Have your secretary write for Booklet "M". It contains detailed information, a list of the varied industries using BLOXONEND and the names of prominent architects who specify it.

CARTER BLOXONEND FLOORING COMPANY
KANSAS CITY, MO.

NEW YORK 501 Fifth Ave.
CLEVELAND 1900 Euclid Ave.
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BOSTON 88 Broad St.
DETROIT 1st Nat'l Bank Bl'd'g.
DALLAS, TEXAS 400 So. Poydras
WASHINGTON, D.C. 700 Insurance Bldg.

—and representatives in all principal cities



Showing method of construction and tough end grain wearing surface.

BLOXONEND FLOORING
Lays Smooth — Stays Smooth

Revising Our Foreign Taxes

WITH the signing by President Coolidge of the 1926 Tax Revision Bill, Americans who live in other countries and are engaged there in efforts to expand the foreign trade of the United States, step at last onto a plane of tax equality with their competitors of other nationalities. This is due to the inclusion in this bill of a provision which has been sought continuously during the last six years by the National Foreign Trade Council on behalf of American chambers of commerce abroad. Under the clause as it has now passed *bona fide* nonresidents during six months or more of the taxable year are relieved from tax upon income earned in the country of residence.

Six years ago the National Foreign Trade Council took this matter up with Congress and the Treasury Department at the urgent solicitation of the American Chambers of Commerce in Shanghai, Buenos Aires, Rio de Janeiro and elsewhere. The first approach to Congress was met with a demand for proof that other trading nations do not tax their nationals resident in foreign countries upon income earned in the country of residence. The effort to supply that proof involved the Council in a labor of nearly a year.

The Council prepared a questionnaire which was sent out through the State Department and the Department of Commerce to our consuls and commercial attachés in foreign countries, calling upon them for the tax laws of the countries where they were stationed.

A Survey Made of Tax Laws

IT TOOK five or six months to accumulate the material and another five or six months was involved in the careful examination of these laws. The result of all this work was the proof that the United States was the only nation taxing its nationals abroad in this way.

This tax operated as a serious handicap in the efforts to expand American foreign trade because it was regarded by Americans who went abroad in the interest of business as an unfair discrimination against them. It has always been difficult to get competent Americans to go abroad for long periods of residence in the promotion of business, and this tax discrimination added to that difficulty.

Five years ago the Treasury Department took the matter up and largely through its support a provision was included in the Tax Revision bill of 1921, as reported to the House, which would have exempted foreign traders in a certain degree. That bill, however, included corporations as well as individuals. The entire provision was stricken out on the floor of the Senate just before the bill passed the Senate. Since that time the Foreign Trade Council has been plugging away in the effort to get a provision included in one of the subsequent tax revision bills. It has confined its efforts, however, to securing relief for individuals. The Chamber of Commerce of the United States, the National Association of Manufacturers, and some other trade organizations, took the matter up also and gradually a considerable measure of support of the proposition was developed in Congress.

When the Ways and Means Committee of the House reported the present bill it contained a provision which while it recognized the principle, limited the relief only to those engaged in selling American products in other countries. This was not satisfactory.

Only a Few Were Relieved

THE business men understood at once that only a small fraction of the Americans engaged in business in other countries would be relieved. Yet they understood clearly that in many cases it is the effort of such men that makes possible the expanding sales of American products.

The experience of the automobile men is a case in point. American automobile makers began their efforts in the export trade with the attempt to sell their machines and were not successful, but when they set up service stations abroad they promptly produced very satisfactory results. Yet, under the provision reported by the House, the men connected with the service stations, who were, after all, the most important factor in American automobile salesmanship in foreign countries, would not have been affected.

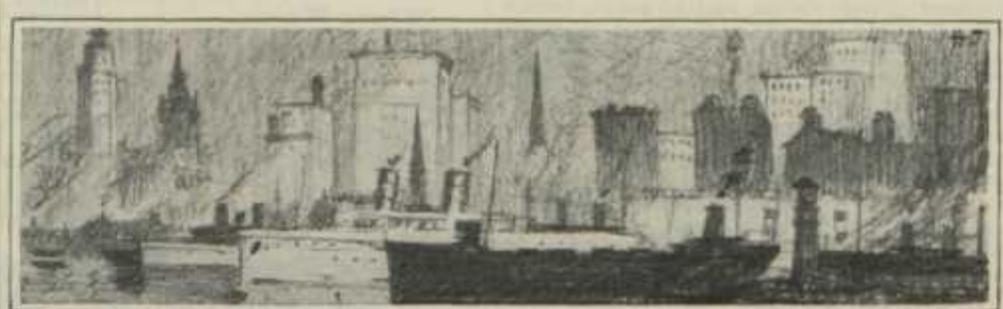
The House adopted the provision as reported by the Ways and Means Committee and immediately there was a violent protest on the part of American Chambers of Commerce in Rio, Havana and London. Dr. R. P. Momsen, president of the American Chamber in Rio, was in the United States at the time and he submitted a vigorous protest to the Finance Committee of the Senate.

These protests were confusing to the Finance Committee whose members saw themselves being criticized by Americans in foreign countries for doing what they thought would be applauded by such Americans. Thereupon they struck the whole provision out of the bill.

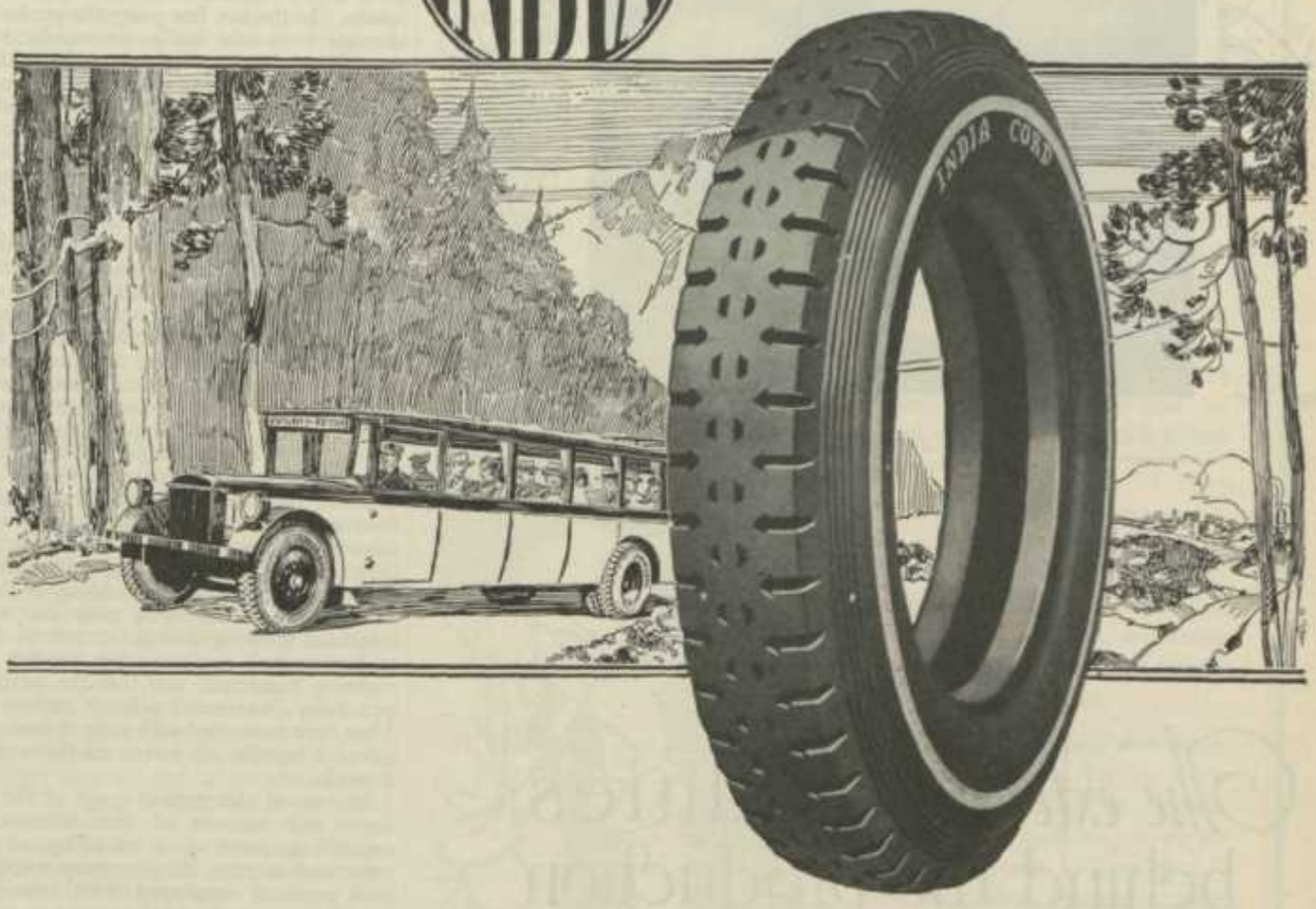
Explanation Proves Successful

FRIENDS of the measure, however, including representatives of the Foreign Trade Council and Dr. Momsen, went to Washington and succeeded in getting opportunity to explain the matter fully to members of the Finance Committee and several Senators.

Senator Jones of Washington, chairman of the Committee on Commerce, made a trip to South America last year and in visits at Rio, Montevideo and Buenos Aires had become familiar with the problem on the spot. Senator Jones introduced an amendment covering the situation fully, which was called up by Senator Smoot and accepted by the Finance Committee just before the final fight on the bill in the Senate.



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UNION DRAWN STEEL COMPANY

Beaver Falls, Pennsylvania

Corn Sugar Status Still Unsettled

By E. B. REID

THE PUBLIC, Congress and the Department of Agriculture will hear a good many speeches on corn sugar this season. In the last few years the production of sugar from corn has grown rapidly, there now being produced about a half-million pounds a year. Over three times as much was produced in 1923 as in 1921, according to the figures recently published by the Bureau of the Census.

The manufacturers and canners, joined by the farmers who think they see in corn sugar an enlarged outlet for their corn, have petitioned the Department of Agriculture to permit canners to use corn sugar in canning fruits, vegetables, and other products without printing on the label that the product contains corn sugar. The Department, however, has adhered to the interpretation of the Food and Drugs Act laid down by the late Henry C. Wallace, who, while Secretary of Agriculture, ruled that food products containing corn sugar must print this information on the label. Secretary Wallace said, in short, that the Food and Drugs Act defined a food product as adulterated if any substance were substituted wholly or partially for the article, and as misbranded if labeled with any false, misleading, or deceptive statement; that long usage has established the meaning of sugar as sucrose (cane or beet sugar) so far as the average consumer is concerned, and that the purchaser who buys a sweetened product expects that it has been sweetened with cane or beet sugar unless a specific statement to the contrary is made.

Because of this general usage of the term sugar and because of the difference in sweetening power and solubility of corn sugar and sucrose, the Secretary ruled that food products sweetened with corn sugar must so state on the label in order to comply with the Food and Drugs Act. Efforts are now being made to amend this act so that corn sugar will be specifically exempted.

Corn Sugar Better, Claimed

THE PROPONENTS of this legislation claim that their product is actually a better preservative than cane or beet sugar and that, not being so sweet, it does not distort the true flavor of the product. If more sweetness is desired than is necessary to preserve the fruit or vegetables, more sugar may be added. They say that corn sugar is really more healthful than either cane or beet sugar and more easily digested. They assert that for many uses a high degree of sweetness is not essential, pointing particularly to the excessive sweetness of sweetened condensed milk. They say that candy made with corn sugar does not crystallize so easily as when other types are used; that bakers prefer pulverized corn sugar as it does not require the addition of corn starch to keep it from caking; and finally they claim that manufacturing processes have been developed recently by which a sugar from corn which is over 99 per cent pure is being made. In other words, they contend that corn sugar as it is now being made is not an inferior product and it should be recognized as "sugar" in the same sense that beet sugar is recognized commercially. Manufacturers and canners claim that they are unwilling to use corn sugar because they would have to state on the label

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that corn sugar had been used, as though it were an inferior product against which the public must be protected, and that the public would hesitate to buy these products because the presence of such a statement on the label would develop unfavorable opinion of the product in the minds of purchasers, many of whom know little about the merits of corn sugar.

However, the advocates of the wider use and manufacture of corn sugar don't stop with canning sugar. They wish to replace a third to a half of our imports from Cuba, from which country we ordinarily get half of what we consume, relying on our insular possessions for one-quarter and supplying the other quarter ourselves. They say that corn sugar can be produced at a cost of about three cents a pound when corn is selling for seventy cents a bushel, and, because of its cheapness, it might well be substituted for many of the ordinary uses for sugar. Based on an estimated yield of 25 pounds of sugar from a bushel of corn, they point out that it would require 114,000,000 bushels of corn to produce enough corn sugar to equal one-fourth of our total sugar consumption.

An Outlet for Corn Surplus

THEY also point to the growing number and production of corn products in support of their contention that these afford a means of caring for a considerable portion of our surplus corn crop. Figures recently issued by the Bureau of the Census show that the production of corn oil jumped from 70,000,000 pounds in 1914 to 106,000,000 pounds in 1923. Similar increases are also reported for starches made from corn, chief among which is the familiar household product, "corn starch." The value of corn sirup produced in the same period almost doubled.

The sugar interests and others who oppose the legislation that would place corn sugar on the same commercial standing with cane and beet sugar so far as the Food and Drugs Act is concerned, minimize the importance of the production of corn sugar in caring for any great quantity of our corn crop. They claim that a bushel of corn will only produce 20 to 22 pounds of sugar, which represents about 40 per cent of the corn, the remainder being made up of a small quantity of corn oil, gluten feed, corn oil cake, and corn cake meal. Since most of the latter products are used for stock food, they would go back into competition with the sale of corn for feeding purposes. In other words, they say that the larger portion of the corn which is used for the manufacture of corn sugar goes back into competition with corn for stock feeding, and therefore the corn sugar industry would not affect the price of corn nearly as much as its advocates contend. They also state that even if corn sugar were substituted for all of the sugar used in canned goods, including condensed milk and ice cream, it would only require about 200,000 tons.

Since it takes 100 bushels of corn to make a ton of sugar, only 20,000,000 bushels out of a 3,000,000,000 bushel crop could be utilized for these industries if nothing but corn sugar were used. Still confining their argument to the canning industry, they point out that exporters of canned goods would not buy corn sugar because they can purchase cane sugar, duty paid, for 4.11 cents, and when the canned goods containing the sugar are exported they receive a drawback of 99 per cent of the tariff on sugar which amounts to about 1¼ cents a pound, raw basis, so that the exporter now really gets his cane sugar at about three cents a pound or about



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This Bond is possible because our floor materials are manufactured in our own huge mill. And we can guarantee that they are installed properly—by skilled workmen under the supervision of our experienced flooring engineers.

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APRIL sun—pine-scented winds—and a white ball whistling down the fairway . . . blue water far below, for mile on glittering mile . . . and for taut nerves, winter-worn bodies, a completer relaxation than you have ever known.

Diet—Exercise—Sleep—the triple cycle—regulated by specialists. Radioactive waters—and the only natural Nauheim brine baths in America. Bright companionship. Utter freedom from care. *Intelligent* rest.

Not mere enforced inactivity—nothing is more tiresome! But rest so skilfully planned that it lowers instantly the unnatural tension of modern life. Rest based on careful looking over of the whole human machine—and a program, planned for you especially, that shapes each day for you.

Here is the real secret of The Glen Springs appeal. Loveliness of setting—charm of atmosphere—yes; the kind of food that you remember longingly—fresh from the great dairy and poultry farm among the pines; but most of all the certain knowledge that here, in weeks, real help can be given in repairing the damages of years.

To this nationally famous Health Resort, every year, come leaders in business and professional life, in social and political activities . . . men and women on whom daily pressure makes heavy demands. They come for a month—a fortnight—to drink the waters, take the "Cure" . . . they are different people when they leave.

The coupon will bring you literature at once:

The GLEN SPRINGS

THE GLEN SPRINGS,
WATKINS GLEN, NEW YORK
William E. Leffingwell, President.

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the estimated cost of producing corn sugar. Of the 130,000 tons of sugar used in canning fruits and vegetables and condensed milk in 1924, 21,000 tons, or about 15 per cent of imported sugar went into products which were exported.

Will Housewives Be Confused?

THOSE on this side of the corn sugar question also ask: What does the word sugar mean to American housewives? They argue that sugar means sucrose, which is cane or beet sugar, and not something half as sweet and chemically different, that most housewives use the term sugar as meaning cane or beet sugar, and to use corn sugar in canning without stating on the label that it was used would be a violation of the spirit of the Pure Food and Drugs Act and would open the way to all sorts of demands that other products be exempted.

Their contention is that, if corn sugar has merit, it ought to be sold on merit and under proper designation, just as corn sirup has been sold, and that the manufacturers of butter and lard substitutes made a big mistake when they tried to pass these products off as butter and lard and created much prejudice against them, but when they began to sell these products on merit and advertised them on that basis they became more firmly established. The point is also advanced that, if canners were no longer required to state that their product contains corn sugar, consumers would have no way of telling whether the sugar used was sucrose or corn sugar, and even if it were granted that corn sugar were better for this purpose they would have no way of knowing whether they were getting the superior product if the present ruling were repealed.

The principal issue in the whole question is whether or not the absence of information on the label that the product contains corn sugar would constitute adulteration or misbranding and thus violate the spirit, if not the letter, of the Pure Food and Drugs Act, defeating its purpose and opening the way for other exemptions.

Conserving Health, a National Asset

By Dr. HUGH S. CUMMING
Surgeon General, United States Public Health Service

ONE OF Great Britain's greatest Prime Ministers, Disraeli, said: "Public health is the foundation on which reposes the happiness of the people and the power of the country. The care of public health is the first duty of a statesman."

Theodore Roosevelt said: "Our national health is physically our greatest asset. To prevent any possible deterioration of the American stock should be our national ambition."

The value of our railroads has been estimated to be about $21,383,000,000. Our annual agricultural products are worth $12,404,000,000. Our manufactures are valued at $60,000,000,000 a year. The physical wealth of the United States has been estimated at about $320,000,000,000.

Our vital assets, adopting Irving Fisher's figures of $3,000 as the average value of one individual to society, aggregate $330,000,000,000.

The average new-born child has a money value of $95—the value increasing to $4,000 by twenty years, and dropping to $2,900 at fifty years of age, according to accepted calculations.

Representative citizens, vitally interested in the well being of our country should take thought of the administration of means for conserving and increasing the efficiency of this greatest asset of the nation.

Disease Raises Cotton Cost

DECREASED production of cotton due to the hookworm and malaria in the farm laborers of the South increases its cost.

Epidemics of cholera and typhus fever in the wheat area of Russia increases the cost of food to workmen of this and other countries. The support, either by official or voluntary sources, of the insane, the defective, the criminal—products of venereal diseases—necessitates expenditures which react upon us all.

Lowered productivity of industrial workers, due to poor lighting, to insanitary environment or unnecessary illness, increases the cost of the product.

It is in the eradication and conquering of these and other diseases that medical science has had its greatest achievement within the past generation—an achievement which has repaid humanity untold dividends for the amount of self-sacrifice, devotion and money expended.

In 1900 the death rate per 100,000 from diphtheria was 43.3. By the general use of antitoxin, whose potency is insured by the Public Health Service, this death rate has been reduced to 0.4. This is an annual saving of 38,314 lives.

Typhoid Death Rate Lower

TYPHOID fever caused the death of 35.9 per 100,000. This has been reduced to 6.7—an annual saving of 32,813 lives, chiefly by the application of medical and engineering science toward improvement of water and milk supplies.

Tuberculosis took a toll of 201.9, which has been reduced to 90.6 per 100,000—a saving of 132,366 lives, by the gospel of fresh air, good food, better housing and proper treatment.

Scarlet fever killed 10.2 per 100,000, and this has now been reduced to 3.2 through knowledge of its methods of transmission and treatment—an annual saving of 8,098 lives.

There has probably been no more marked advance in any phase of public health than in the decrease in malaria, a disease whose toll is taken not only in lives lost but in decreased usefulness, efficiency and liability to death from other causes.

The application of our knowledge of the transmission and means of prevention of malaria and the cause of hookworm has done perhaps more for the upbuilding of large sections of our country than any other public health activity within generations.

In 1900 there was a death rate of 17.6 per 1,000. The average child then born had

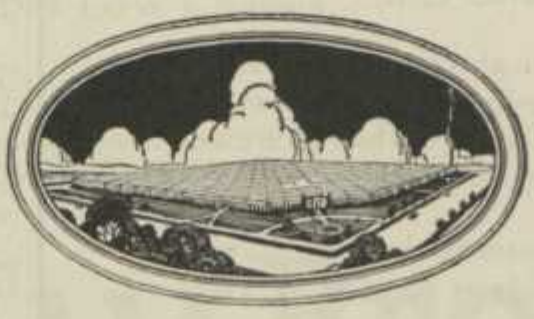
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Radio, *a public utility*

"Radio," says Secretary Hoover, "has passed from the field of adventure to that of a public utility."

Again Mr. Hoover: "Radio has become imbedded in American life."

The enduring value of radio as a means of mass communication was recognized at the outset by the Atwater Kent Manufacturing Company. With the conviction that the market is permanent we have built our factory—just as we have built our Receiving Sets and Radio Speakers—for permanence. We are in the radio business to stay.



ATWATER KENT MANUFACTURING CO., 4812 Wissahickon Ave., Philadelphia, Pa.
A. Atwater Kent, President

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Portion of front and principal entrance, Pacific Gas & Electric Company Building, San Francisco, Calif., Bakewell & Brown, Architects. Faced entirely with Terra Cotta.

TERRA COTTA is not only widely used for the exterior finish of large skyscrapers but is ideal for their ornamental enrichment, giving great beauty of detail at a moderate cost.

Terra Cotta buildings can also be cleaned readily by a simple process of washing as the impervious surface of Terra Cotta does not absorb dirt nor permanently retain atmospheric stain.

Let us send you our illustrated booklet showing some beautiful office buildings faced with Terra Cotta.

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a life expectation of 49.4 years. The average child born now may expect to live 56 years, with the death rate of 11.9 per 1,000. Six hundred and thirty-six thousand fewer persons died last year than would have died had the death rate of even 1900 continued.

The expectation of life for our industrial population of the United States and Canada has increased during the past 12 years from 46.63 to 55.62 years—a gain of 8.99 years.

And this has been done despite the increase of those yet unconquered diseases such as cancer, which has apparently increased from 63 to 92 per thousand; diabetes from 9.7 to 16.6; and diseases of the heart from 132.1 to 178.4.

The average loss to society from each postponable death is $1,700, according to elaborate calculations. The saving, therefore, of 636,000 lives each year represents a money saving in the nation's most valuable asset, of $1,081,000,000, a year, enough to pay interest at 5 per cent on the national debt of the United States.

Small Cost to the Individual

BUT YOU ask: What have these results cost in annual expenditures? The Federal Government expends about $5,000,000 or 4½ cents per capita. The forty-eight states appropriate about $22,000,000 for health and sanitation, or about 20 cents per capita. Our 248 cities of 30,000 or over, expend about $31,000,000 a year, or a per capita of 80 cents. Much of this money is spent for treating illness, and not for prevention.

Has it been worth while?

We must not think that we can relax our vigilance or lessen our energy because of these results.

Neglect in vaccinations caused costly outbreaks of smallpox last year in many of our states. Neglect in continuing to kill ground squirrels resulted in the pneumonic plague in Los Angeles a year ago which will cost the city and Federal Government one or two millions of dollars.

We should save at least 300,000 more lives in the United States each year. Past achievements should stimulate us to fresh endeavor to conquer cancer, syphilis, influenza, and the "captain of the men of death"—pneumonia.

We must measure life in terms of efficiency and productivity, whether mental or physical.

There are always about 3,000,000 persons in the United States on the "sick list" needlessly, according to reliable estimates. For the most part they are older than the average, and about 1,000,000 are in the working period of life.

Assuming that average annual earnings are $700, we find $700,000,000 as the loss of earnings suffered by the 1,000,000 workers, needlessly ill. In addition to this wage loss, the average expenditure for illness and death in workingmen's families amounts to $27 a year, according to figures of the Department of Labor.

We suffer an annual calculable loss from preventable illness and deaths of about $2,000,000,000.

In the fight which we are making against disease, the Public Health Service is carrying forward these various types of public health activities: Protection of the United States from introduction of disease from without; medical examination and inspection of all arriving aliens; prevention of interstate spread of disease and suppression of epidemics; cooperation with state and local health departments in health matters; investigations of the diseases of man; supervision and control of biological products;

World Leadership brings *Lower Prices*

On January 7th, Graham Brothers announced a substantial reduction in the prices of their complete line of trucks and motor coaches.

This was their third reduction in eight months.

It reflected again Graham Brothers pledge and determination to pass on to the buyer the full economies of rapidly increasing production.

The year 1925 was the greatest in Graham Brothers history.

It saw them advance to World Leadership in the 1½ ton truck field, and brought them the added distinction of being the largest exclusive truck manufacturers in the world.

Such positions are achieved only by enormous demand for a worthy product.

New Prices

1-Ton Chassis - - - - - -	$975
1½-Ton Chassis - - - - -	$1245
MBM Low Chassis - - -	$1295

F. O. B. Detroit

GRAHAM BROTHERS
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SOLD BY DODGE BROTHERS DEALERS EVERYWHERE

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THE SMALL picture shows how the threaded metal ring on the Williams Holder screws into the Holder Top.

WILLIAMS *Saturated* lather in a stick with *a Non-Slip Holder*

MEN want two things above all others in shaving sticks. First: the right kind of lather, and second: a holder in which the soap can't work loose.

Williams gives you both. This soap works up into a quick, rich lather that bulks big on the face. A lather so saturated with moisture that it soaks right through all of each beard bristle so that the razor cuts without pull.

The holder grips the stick so that slipping is impossible. The soap itself is surrounded by a threaded metal ring which screws fast into the metal top.

Three generations of specializing in shaving soap manufacture stand behind all Williams' products. We make Stick, Cream, Powder, Tablet—four forms, one lather—Williams.

AQUA VELVA *is our newest triumph—a scientific after-shaving preparation. A few drops keep the face like velvet all day. We will send a generous test bottle free. The J. B. Williams Co., Dept. 84, Glastonbury, Conn. (Canadian address, 1114 St. Patrick Street, Montreal.)*

Williams Holder Top Shaving Stick

dissemination of health information and public health education; provision of medical care and treatment to those designated as beneficiaries of the service.

The federal quarantine system consists of two lines of defense. The outer defense consists of American consuls and medical officers abroad. The inner defense consists of personnel and equipment of United States maritime stations, conceded to be the best conducted maritime defense in the world. The existence in any arriving alien of any loathsome, dangerous or contagious disease, insanity, imbecility or similar condition which may affect the ability of the individual to earn a living, automatically excludes the individual. Recently the experiment of making preliminary examinations has been inaugurated in Great Britain and Ireland.

Wonderful control of typhoid fever which has taken place in the United States is a part of the history of the Public Health Service, in cooperation with state health agencies.

Seeking Causes of Epidemics

DEVELOPMENT of men trained in ascertaining the causes of outbreaks, through their study of epidemiology, forms one of the most important achievements of the service. With a thorough knowledge of clinical and laboratory methods, such men are trained through the application of deductive logic to find the causes of an outbreak. Carter thus determined the intermediate host transmission of yellow fever and fixed the period of extrinsic incubation before the facts were demonstrated by actual experiments.

From a research standpoint, the service has played an important part in developing eradicative methods in such diseases as hookworm, malaria, yellow fever, pellagra and filariasis—diseases which have in past years proved to be such a serious drawback to large areas in the southern states.

Among the important contributions made by the Public Health Service to the prevention and control of diseases, the following may be cited:

Pellagra was shown to be a disease caused by improper diet, prevention and cure of which lies in the regular eating of a well-balanced diet.

Spread of cholera in the Philippines was explained through a demonstration of the rôle played by cholera carriers.

Established by practical demonstration that beriberi was caused by the use of polished rice, the disease was eliminated from government institutions in the Philippines by dietary measures.

Cure Promised for Leprosy

AN INVESTIGATION of leprosy has developed a method of treatment which promises a cure.

Investigations on the causes of death and sudden death in the use of drugs for the cure of the most serious form of venereal disease demonstrated how the 6,000,000 doses of arsphenamine annually administered may be given safely.

Completed the difficult task of preparing and preserving a standard diphtheria antitoxin unit, which had never been done before and which by some was deemed to be impracticable.

Developed effective methods for the cure of trachoma, a chronic disease of the eyes which has blinded thousands and has been regarded by some as incurable.

Played an important part in the demonstration of the transmission of typhus fever by lice, and identified typhus fever with the so-called "Brills" disease, endemic in New York City.

Discovered method of treating oysters from polluted oyster beds, to make them safe for market use, and the process has been extensively adopted in the United States.

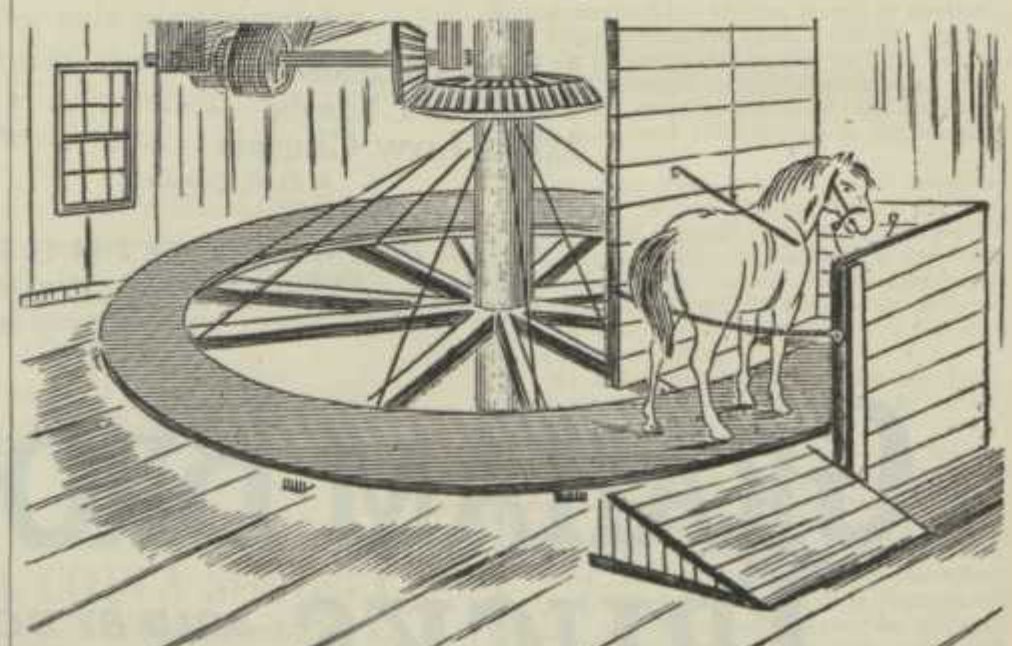
Developed the widely used "hygienic laboratory methods of determining the phenol coefficient of disinfectants," and also discovered the cyanide method of disinfection for ridding buildings of rats and vermin.

Made the important discovery that measles is contagious only during the first few days, and placed health officers in possession of knowledge to handle such cases intelligently.

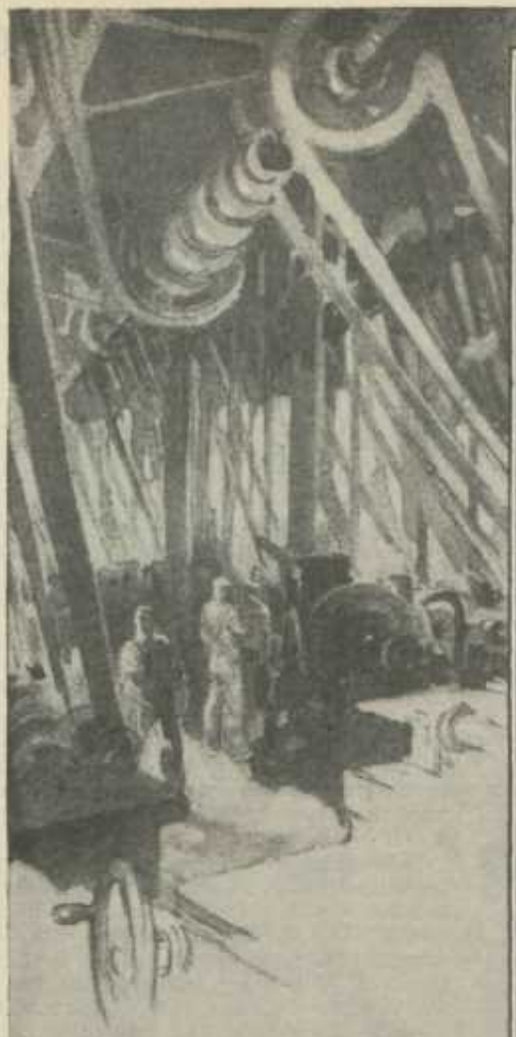
Stimulated movement among the states for the control of venereal diseases.

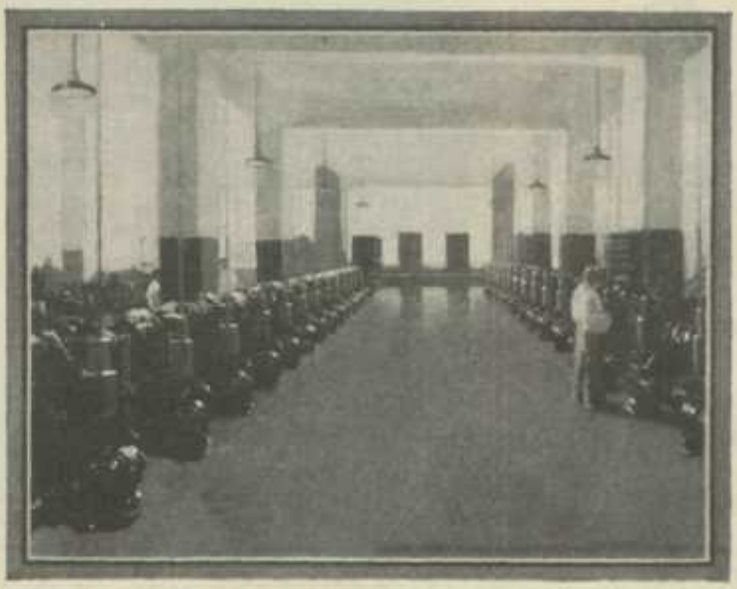
To maintain the ground already won in sanitation and hygiene and to conquer new fields requires the highest type of scientists selected for fitness, and not because of partisan politics, and with pecuniary remuneration to allow suitable men to enter this field.

An Early Form of Superpower in America



A wheel horsepower plant as used about 1835. The remains of such a power plant are to be found at Leominster, Massachusetts, where it was used in comb making. When the horse slackened his speed the simple machinery on the floor above also slowed down. The regulating device may be seen—a stick suspended above the horse. A boy was usually commissioned to watch the speed of the machines, and to pull the string which worked the stick, thus striking the horse and increasing the power.





Disappearing Jungles of Industry

The industrial jungle of flapping belts, creaking line shafts, slipping pulleys and general confusion is rapidly disappearing from modern plants. Built into individual machines, or otherwise fitted to production needs, G-E Motorized Power is bringing order, safety, unobstructed lighting and clear passage ways into plants of all types and sizes.

G-E Motorized Power is a practical means of increasing the productive ability and capacity of available man-power.

Thus employed, electricity benefits the whole public. It puts into everybody's service a cheap, clean and highly efficient power system which helps to produce not only better and less expensive food, clothing and housing, but also lowers the cost and improves the quality of the basic necessities of life.

G-E Motorized Power is more than a motor or its control—it is a practical and economical application of electric power. "Built-in" or connected to all types of industrial machines or household appliances, G-E Motorized Power provides lasting assurance that you have purchased the best.

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GENERAL ELECTRIC



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As your fare on a junk in Hongkong harbor, or on an American Pullman—

American Express Travelers Cheques Are Good As Gold

Sky-blue in color, about the size of a dollar bill—with the magical name of the American Express Company across their face—these Cheques are ***safer than gold*** since they are usable only when countersigned by the owner, and are insured against loss or theft.

More convenient than gold since they are so easy to carry, and easy to use.

Good for much more than gold since each one of them is backed by the helpful and personal service of the American Express Company's world organization with correspondents all over the world and offices in the principal seaports and inland cities.

This personal American Express Service is assured to travelers carrying American Express Travelers Cheques. It is unique and supreme. Many thousands of appreciative letters attest its magical value to the stranger in a strange land, where these Cheques are often letters of introduction to the best influences.

It is this service, added to the unique safe-money value of American Express Travelers Cheques, which has made them ***preferred*** as traveling funds the world over.

American Express Travelers Cheques are issued in bills of $10, $20, $50 and $100. They cost only 75c for $100 worth.

FOR SALE AT 22,000 BANKS AND EXPRESS OFFICES

American Express Travelers Cheques

Secure your steamship tickets, hotel reservations and itineraries; or plan your cruise or tour through American Express Travel Department

The Department Store's Future

By PERCIVAL WHITE

Author of "Chain Stores"

RETAILING has perhaps never been in a more chaotic state than at present. New forms of consumer distribution are being developed, old forms are being modified, and the whole problem is taking on a new complexion.

Some little anxiety has been felt by department-store executives as to their place in the altered scheme of things. Will the department store survive, in this turmoil of competition, and, if so, what changes will be made in its methods?

Probably the thoughts of these very men constitute the best possible index of the future development of the department store. Assuming that this was the safest basis for a prediction, fifty department-store executives were consulted. The men chosen were presidents or general managers of leading department stores in fifty of the largest cities. The following forecast is based upon their response.

Two Problems Loom Large

IN THE foreground of most department-store businesses, two pressing problems loom large. One of these is house-to-house canvassing; the other is instalment selling.

Whether the former method of selling will grow or decline is much discussed. Conservative opinion, among the merchants consulted, is that there will be continued effort on the part of manufacturers to distribute their goods in the most efficient manner possible.

Where efficiency is synonymous with directness, canvassers will be used, or selling from manufacturer to customer through the mails, or possibly through some medium or combination of mediums not yet developed. For most lines of goods, however, it is necessary to sell through a store, the demands of directness being served by eliminating the jobber or other middleman.

"Jobberless distribution" is, of course, the classic method, as far as the department store is concerned, and is growing in popularity. For some purposes, of course, the jobber is still a functionary of importance; but the position of domination he once held will hardly be regained.

Selling through the mails is a tendency in the opposite direction from jobbing, and constitutes a form of selling which many department-store managers are too ready to dismiss as being uneconomic. The fact that the larger mail-order houses are experimenting with other forms of retailing is interpreted by many as a sign of defeat. But do the mail-order houses themselves think so?

To gain enlightenment on this point, several mail-order executives were consulted. C. M. Kittle, president of Sears, Roebuck and Company, says that their work with selling over the counter is as yet too young to serve as a basis for predictions. These endeavors are frankly experimental. R. J. Raney, vice-president of Montgomery Ward & Co., says:

"The fact that for forty-five successive months we have shown an increase in sales over the corresponding months of the preceding year seems to me to be evidence that mail-order houses are filling an economic need and that they will continue to expand indefinitely. I believe that their increase during the last five years compares favorably with that of any other form of retailing."

Co-equal in importance with house-to-house canvassing is the problem of instalment selling. As Edward N. Allen, general manager of Sage-Allen & Company, Inc., Hartford, Connecticut, states, this is one of the outstanding problems of the moment. "The department-store manager may speculate to his heart's content," says Mr. Allen, "about the soundness of instalment selling. He may question its validity, either from the standpoint of the store or from that of the consumer. He may challenge its value from the standpoint of the public at large. But regardless of whether this movement is beneficial or not, the merchant is pretty nearly forced, under present conditions, to offer an opportunity to buy by deferred payments if he is to hold his place in the race of competition."

In view of the insistent demand for ever-extended credit, the position of a store which extends no credit whatever becomes of unusual interest. The following remarks were made by Jesse Isidor Straus, president of R. H. Macy, Inc.:

"The views of the executives at Macy's are diametrically opposed to those of many merchants with respect to sales by instalments. This is only natural since the fundamental policy of the Macy store is selling for cash. This policy has stood the test of many years and has proved its validity. Even if Macy's could be assured of doing twice as much business as is now possible by changing to a credit policy, it is doubtful whether this concern would be willing to make the change. In other words, the Macy success has been, to a large extent, founded upon cash transactions.

"It should not be supposed that this policy is based upon the personal whims or theories of those in charge, but rather that it is the outgrowth of the service to the community, for the success of a store is directly proportionate to the service which it renders its public.

Doubts Instalment Plan Value

"THERE is much doubt as to whether instalment selling does provide a true service to the people. At times its may appear so, and the demand may be so great as to force many merchants to provide means for deferred payments in return for merchandise. The experience of young married people may indicate that in many cases instalment selling has proved a benefit, but there is doubt as to whether this constitutes a sufficiently universal argument in favor of mortgaging one's future in order to obtain present satisfactions.

"It may conceivably be that the instalment plan will prove a benefit to the people of the country, but before it will have proved its right to such a claim it must go through business depressions and other reactions which will give an opportunity to show up its disadvantages."

Merchants are faced with other problems relating to their organization, problems which, if not of so immediate a nature, are equally engrossing. The present survey indicates that the buyer is one of the weak links in the department store, as compared



Which Fire Are You Choosing

Fires *Are* a Matter of Control

Consider this example. A lighted cigar falls into a waste paper basket. If the basket is combustible the fire spreads to a rug, then to a desk, also of combustible construction. Later the fire follows the rug to a file and a stenographer's desk. The entire contents of the office are consumed but there the fire stops. Sheet Steel partitions, doors, and trim bar further progress. The example is real—it happened in the Guardian Building at Cleveland.

But the example is far from ideal. Think what would have happened if the waste basket and the office desks and files had all been of Sheet Steel construction. The fire would have burned itself out in the waste basket. A scorched rug is the most that could have happened.

Now here is the point—that fire was chosen when the owner chose office equipment. Had he chosen steel when he made his purchase he would have had a waste basket fire.

It was choice that stopped the fire too—the choice of the Sheet Steel partitions, doors and trim. Without them a floor or the complete building might have been heavily damaged. The historic case of the Burlington Building at Chicago proves this possible.

It will pay every business man to give the closest attention to the question of fire control when choosing materials for factory or office equipment as well as for building construction. No one questions the desirability of fire-resisting construction; fire-safe contents are just as important.

Several articles dealing with this vital item of fire have appeared in the booklet, "MAKING MARKETS," which is issued regularly by the Committee. Copies will be gladly mailed those interested on request.

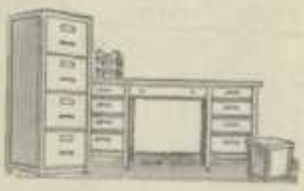
SHEET STEEL
TRADE EXTENSION COMMITTEE
OLIVER BUILDING
PITTSBURGH PENNSYLVANIA



Sheet Steel partitions both increase the fire-safety of buildings and provide for re-arrangement to meet changing conditions. Compact, economical, easily cleaned.



Shelving of Sheet Steel provides the place for everything that is essential to keeping "everything in its place." In many instances steel has reduced space requirements as much as fifty per cent.



Sheet Steel furniture is easily cleaned, durable and economical. It greatly increases fire-safety by reducing the amount of combustibles and by retarding the rate of combustion.



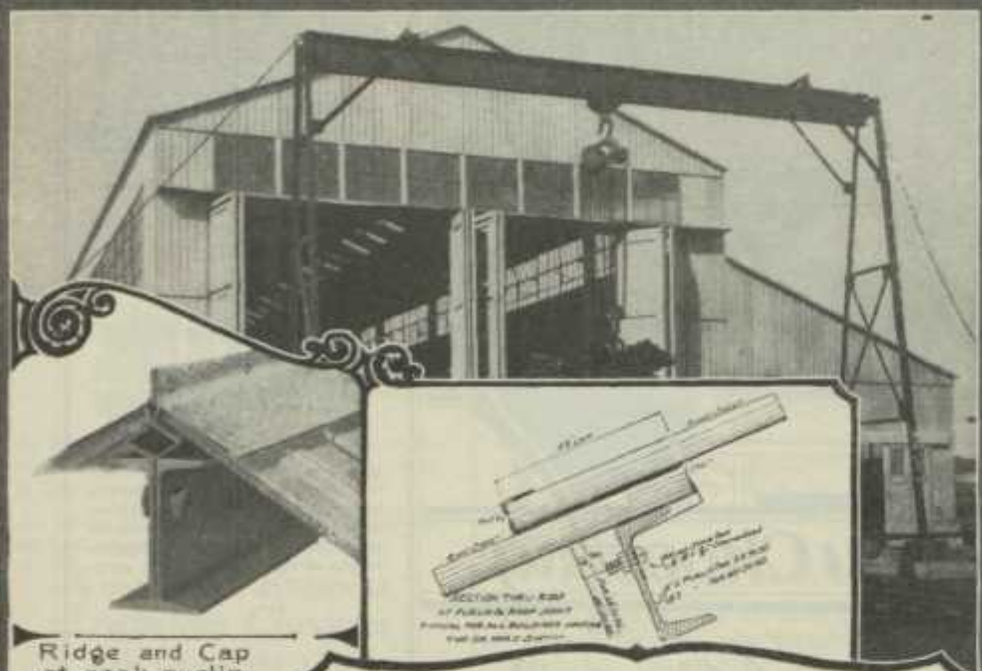
Expanded metal lath—made from Sheet Steel—gives permanence to the beauty of plaster walls and also adds greatly to the fire-safety of the building.

MASTER TEC BRAND

Look for this Master Brand. It assures you—that the sheets furnished for your service are of standard prime quality—that they are of the gauge stamped on the sheet—if galvanized, that the coatings for the various gauges and uses are the weight and quality established by standard specifications. Sheet Steel which bears the Master Brand, can be depended upon to give economical and lasting service.

BLAW-KNOX STEEL BUILDINGS

lowest cost per year



Ridge and Cap at peak purlin



Side Eave Channel and strut



Wall channel and girts



Wall sheet, Sill angle and adjustable sill anchor

Weatherproof!

Rain, wind, snow and ice prove the worth of a building. Seeping water, wind-driven snow, distorting ice pressure—all the ruinous forms of elemental handiwork can find no rusting point, no unguarded opening in a Blaw-Knox steel building.

From ridge cap to sill the perfection of detail attained through more than fifteen years of experience effectually excludes moisture in any form, the precursor of trouble and expense. A glance at the accompanying details will show how this is done.

The galvanized ridge cap with pressed-in lead strips thoroughly covers and weatherproofs the ridge joint. The overlapping roof sheets are securely fastened to the purlins *without bolts or rivets through the roof sheets*. At the all-important eaves the method of assembly should be particularly noted for its effective weatherproof construction.

When side walls require more than single length sheets, the method of joining them provides a secure and weathertight connection. The sill with adjustable anchor completes the side wall with a weathertight, flexible foundation.

Remember—Blaw-Knox Buildings are not ordinary steel buildings. They are weathertight and always will be. Blaw-Knox Buildings last long.

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BLAW-KNOX COMPANY, PITTSBURGH, PA.
632 FARMERS BANK BUILDING

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All purpose, one story Buildings

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Without obligation, send me your literature. We have in mind a building.....ft. long.....ft. wide to be used for.....

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Address.....
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with the great buying offices of the chain. Where department stores are consolidated, however, the methods used by chain should be applicable to such classes of merchandise as the chain handles. Style goods will probably be bought much as they are today, despite the fact that the system, as such, is becoming antiquated.

Another stumbling block is that of service to the customer, a matter which has been much misunderstood and which the department store will henceforth handle in a more rational manner, not relinquishing service altogether, in imitation of the chain, nor offering so much service as to invite the competition which was by this very expedient to have been overcome.

Department Stores Improving

A BETTER comprehension of personnel problems and of salesmanship will help to humanize the impersonal character of department-store service, while the development of improved methods of management will tend to facilitate the operation of the somewhat unwieldy and decentralized organization which the department store necessarily is and will continue to be. A better understanding of finance and of financing will also make for greater stability.

Second only in importance to problems within the merchant's four walls are those having to do with external matters. Among externals, competition takes the lead. In addition to competition from other department stores, the merchant must face competition from other forms of retailing. A study of the chain store as a competitor leads to a consideration of employing chain-store methods and practices in department-store operation.

Two basic changes in the status of the department store have been indicated in the course of this survey. The first is a tendency for it to become more closely identified with the chain store. The second is a tendency to digress from the chain-store idea. It seems likely that both trends will have followers.

Under one plan, each department in the department store would be leased to a chain company, specializing in some one line, such as millinery or shoes, and operating these departments in a number of large stores. Another development is that of the chain which owns and operates department stores—that is, the centrally owned, centrally operated group of department stores. This plan is apparently more practical than the former.

The tendency for the department store to digress from the chain-store idea is evidenced in the increasing number of independently owned department stores of a somewhat specialized nature, such as medium-sized stores in large cities, and those highly developed units which operate in trading centers having comparatively small population but which serve an extensive territory.

The department store and the chain store are not, however, strictly competitive. The department store will prevail for shopping lines, appealing chiefly to women who are ready to pay for service, and who live, for the most part, in sections where access to shopping districts is comparatively easy. The chain store will cater to both men and women, especially in necessity and convenience lines, who do not wish to pay a premium for service. The chain store will thrive in rural and outlying districts, as well as in cities.

Edward A. Filene, president of Wm.

A Close "Deadline," and Selling Effectiveness



THE "utility of beauty" has never been more clearly emphasized than in the Saturday Photogravure Section of The Chicago Daily News. Here is the ideal medium for selling, in the great Chicago market, merchandise that requires the fidelity and beauty of reproduction that only photogravure gives.

The close "deadline" of this section—on contract,* one day in advance of publication—gives a flexibility of copy adjustment to market conditions that no other photogravure section in Chicago allows. In the photogravure medium the advertiser takes advantage of the proved selling power of The Daily News, plus matchless photographic reproduction—at a price that the advertiser finds increasingly profitable.

"The most effective sales medium in Chicago for merchandise suitable to pictorial reproduction."

THE CHICAGO DAILY NEWS

First in Chicago

**On an uncancellable order for specific space and size placed not less than two weeks in advance photogravure copy will be accepted 12 days before the date of publication*

When writing to The Chicago Daily News *please mention Nation's Business*

A thousand MORE Industries needed

There are one thousand industries in Portland, Oregon, and a thousand more are needed in Oregon and Portland.

The eastern manufacturer who wishes to get into the Pacific Coast markets, the ambitious executive who has saved some capital and wishes to establish a plant of his own, and the man of capital who desires a new field for his industry and his operations, should immediately inform himself of the opportunities in his own line of manufacture in Portland, Oregon.

The successful, established industries of Portland originated in the nursery. They have grown up with the country.

Their products are known far and wide for their quality and dependability.

Portland, Oregon, is the new wool manufacturing city of the nation. It is the state where the wool is grown and the city where the climate, water and atmospheric conditions assure the finest woolen manufacturing conditions in the United States.

Portland is the new great center of the furniture industry of America, with an unlimited native supply of the woods necessary for furniture, abundant hydro-electric power, excellent railway transportation, 52 steamship lines operating to all foreign markets, efficient and contented labor, and the finest living conditions in all America.

These are some of the special industries needed, but whatever you have been manufacturing in the east you will find an opening for in the west.

Write us about your industry and ask us about your possibilities in Portland and Oregon.

Publicity Bureau No. 7

PORTLAND
CHAMBER of COMMERCE
PORTLAND, OREGON

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Please send me information and pamphlets on the following subjects: Check ✓

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Spend your 1926 vacation on the Pacific Coast

Filene's Sons Company of Boston, has won recognition for his ideas for future retailing developments.

"Let me point out," says Mr. Filene, "one thing which I believe will be the most successful type of retailing. You mention a plan under which each department in the department store would be leased to a chain company specializing in some one line. As a general proposition I do not believe in leased departments, but I do believe strongly that the most successful organization will be a chain of department stores in which each department will be a member of a chain, and I believe that those sub-chains will be owned and operated by the corporation owning the stores and will not be leased."

Mr. Straus Has Opposing View

IT IS illuminating to compare the department vs. chain store views of Mr. Filene with those of Mr. Straus, another of the country's eminent department-store heads:

"Whether the chain store and the department store will become separate and distinct methods of retailing," says Mr. Straus, "each operating in its own distinctive field, or whether they will tend to become more or less competitive, is a question which cannot be answered without careful analysis of the trends affecting each of these methods of merchandising.

"The department store will, perhaps, overlap the chain store to some extent. At present, for example, it carries some of the lines which are to be found in the five-and-ten-cent store, while, on the other hand, chain stores duplicate, to some extent, the goods carried in department stores. Yet it appears that the field for each lies apart from the other. Each attempts to do a different thing. The chain store, operating in a small way and serving a limited clientele with convenience goods, can render a benefit to the community, even though it be only one of many other stores identical with it.

"Such a plan, however, cannot be expected to work out satisfactorily with a department store. A department store cannot be standardized. It cannot be one of a series of identical merchandising machines. It must conform to the needs, requirements and general character of the community which it serves. This means that one department store in this city will be as different from one in another city as the two cities themselves are different.

"The department store is the reflection of demands of the community in which it operates. Its success is proportionate to the degree of completeness with which it meets this ideal.

"It is very doubtful whether that alternative plan, the chain of departments, is any more practicable. Nor is it an argument to cite the formation of various department stores into a financial merger. This may be called a chain of stores, if you like, but it is not a chain of chain stores. As long as each unit retains its individuality and conforms to the standards and requirements of the community in which it operates, rather than to the standards of uniformity which have been laid down by a single central office for application throughout the country, then it is inherently a department store rather than a chain store, regardless of what the method of financing may be."

Another interesting commentary on this subject comes from the west. Bentley P. Neffy, general manager of the Duluth Glass Block Store, states: "The dissemination of information through so many different channels places the department store on a parity with all other enterprises of a similar character, and there is this great advantage that the department store will always have over chain-store competition, and that is the opportunity of studying local wants and understanding local conditions.

"Since the war, there has been a great deal of unusual competition produced by various selling schemes, but this will all settle down in due process of time, and it will be found that the well-organized department store is able to hold its own against competition of every kind. The whole proposition is largely one of organization."

To some, the solution of the department-store problem is to affiliate or to combine in one way or another with other stores of the same general type. To these men the solution appears to be one of unite or die. A somewhat different note is sounded by F. E. Eastman, president, Eastman Bros. & Bancroft, of Portland, Maine:

"Some merchants would rather work for themselves than be the mere local representative of some executive who rules everything from behind a desk in New York City. There are advantages, to be sure, in a plan whereby the control (nominal) is vested in a holding company, which does not interfere with the operation and management of the store, as long as it is being run properly. The merchant holds, say, 49 per cent of the stock, and thereby benefits by the profits which are earned through his efforts.

"There is undoubtedly a place for the independent merchant, however, who runs his store in the old-fashioned way. Stores like this have been built up over years of patient effort. They are institutions of a semi-public character. They reflect the character and needs of the community. They will not be superseded overnight by some machine-made, machine-operated scheme, operated from out of town by someone who knows nothing of the town's needs."

Chain Store Has Advantages

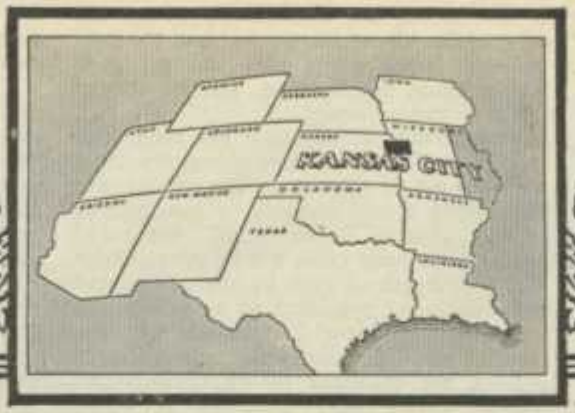
THE same sentiment, stated in somewhat different form, comes from Lansing, Michigan. J. W. Knapp, president of J. W. Knapp Co. of that city, points out that the chain store has some advantages in buying, and also proper inspection of departments and the turning of stocks.

"These systems," he says, "are open to every merchant or department store, and if carried out, they can conduct their business as economically and systematically as the chain store, but the trouble with the average run of business places in the average towns is that they are just merely storekeepers and not merchants. You would be surprised to find the number of storekeepers who rely on the advice of the regular salesman and also depend on their local newspapers who write their advertisements. This to me is bad.

"On the other hand, a real live merchant will conduct his store on a business basis with the proper turnover, and has the great advantage of coming in personal contact with the trade. What I mean is that he knows his trade or should know the wants of his customers. People are not seeking prices entirely, but they are seeking the best they can buy for the price.

"As regards large department stores, whether run as an organization or a chain department store, it resolves itself back to the storekeeper and merchant. In order to stay in business these times, conditions demand that a business place must be run by a real merchant.

"The opportunity of going great distances



20 Million Buyers look to Kansas City

—and

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Fairfax Facts

1. Contains 1,282 acres in a well developed plan.
2. Low taxes.
3. At the present stage of development it has four miles of concrete streets, water and gas mains, storm and sanitary sewers, electrical lighting and power facilities.
4. Six miles of trackage, the first unit in a network of thirty miles of railroad tracks.
5. Residence districts immediately adjacent and within walking distance offer an excellent supply of labor.
6. Cost of present improvements, more than $1,500,000.
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9. Direct switching connections with all railroads serving Kansas City.

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IN A manner we represent 20 million people who look regularly to Kansas City as the distributing center of their territory.

A market of such magnitude expects and deserves unsurpassed service in deliveries and any economies in distribution cost possible through advantageous location of plants or branch houses. Manufacturers strategically located to serve the territory best have reason to gain steadily in volume and profitable business.

Your Best Opportunity May Be Here

In any contemplated expansion of your production the importance of a Kansas City house should have careful consideration. This market may be your most highly concentrated territory.

To aid interested business executives we have prepared a booklet, "The Kansas City Market," practical in its coverage of the subject. The statistics on which it is built are recent, giving evidence of the steadily-growing importance of this market and its increasing prosperity.

A copy of the booklet will be sent on request

Kansas City Industrial Land Company

219 Railway Exchange Bldg. Kansas City, Missouri

Manufacturers of oil field equipment know the volume of buying done in the Mid-Continent field. Kansas City offers an advantageous location and raw materials in abundance

When writing to Kansas City Industrial Land Company *please mention Nation's Business*

"They Keep a-Running"



10 Horse Power Century Automatic-start Induction Polyphase Motor.

Start Against Heavy Loads

Manufacturers and users of large refrigerating machines, deep-well pumps and similar apparatus which is hard to start, find Century Automatic-start Induction Polyphase Motors particularly adapted to their requirements. The following characteristics of this motor are the result of 23 years spent in building motors that "Keep a-Running":—

1 They start against heavy initial or "dead" load such as pumps, compressors, etc.—starting torque is not less than 225% of full load torque.

2 Starting current is low. It does not exceed 245% of full load current.

3 Ideally suited to remote control or conditions where intermittent service must be automatically controlled.

4 No special starting devices required—any standard approved single-throw switch may be used for starting.

5 No special starting fuses necessary—regular operating fuses are generally large enough to effect a start.

Century Automatic start Induction Polyphase Motors are built in all standard sizes from ½ to 60 horse power, and will at least meet all test specifications of the A. I. E. E. and Electric Power Club. Temperature rise not more than 40° Centigrade.

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1806 Pine St. St. Louis, Mo.

Sales Offices and Stock Points in 29 Cities in the United States and More than 50 Outside Thereof

Century MOTORS

½ to 60 horse power

to do trading has been developed by the automobile. News travels fast and the public soon learns where they can get good service, good merchandise, and be treated fairly in every respect.

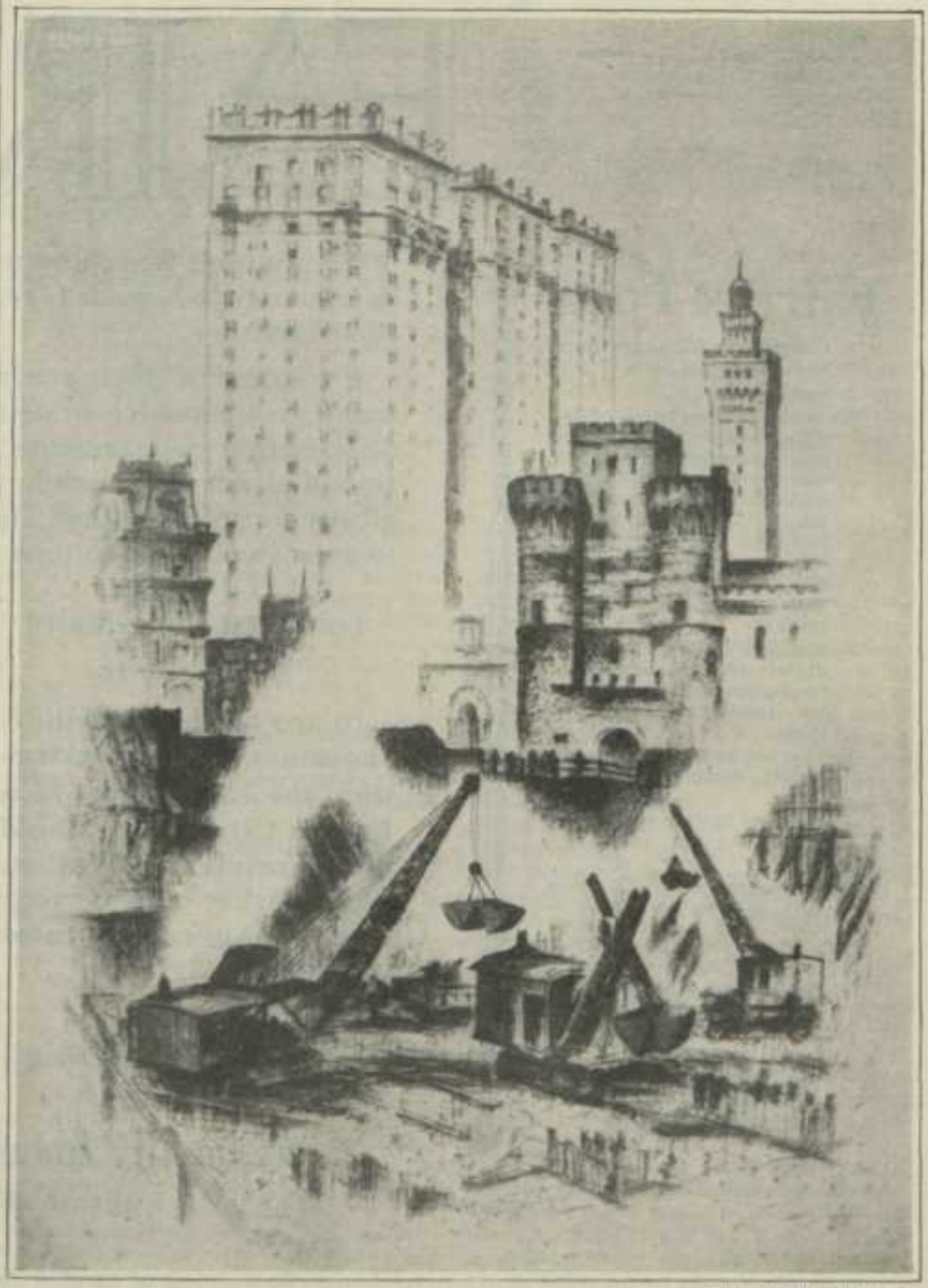
"The change in Michigan has been most marked, and the four-corner country store has gone out of existence. The small towns are having a real struggle to maintain or support a store of any kind. Congested traffic in our large cities will be tolerated for a certain length of time by the people, but if traffic is not regulated so as to make it more convenient for the shopper who has traveled some distance and is compelled to park a car in order to do trading, and thereby violate some local law or police regulation, he will give up, not alone in despair, but go to the place where he can be taken care of.

"This applies also to the medium-sized towns and is a real problem to be solved or there will be no congested part of the towns. People will do more of their trading in the suburbs. This will affect the larger stores and also the high-priced business places.

"No store, be it chain or otherwise, can exist without cooperating with the community where it is trying to do business, and when you ask me the proper methods to pursue as regards the management of a store, my answer is that all the problems are not within the store. There are many outside. Community cooperation is going to cut a great figure as regards the retail business."

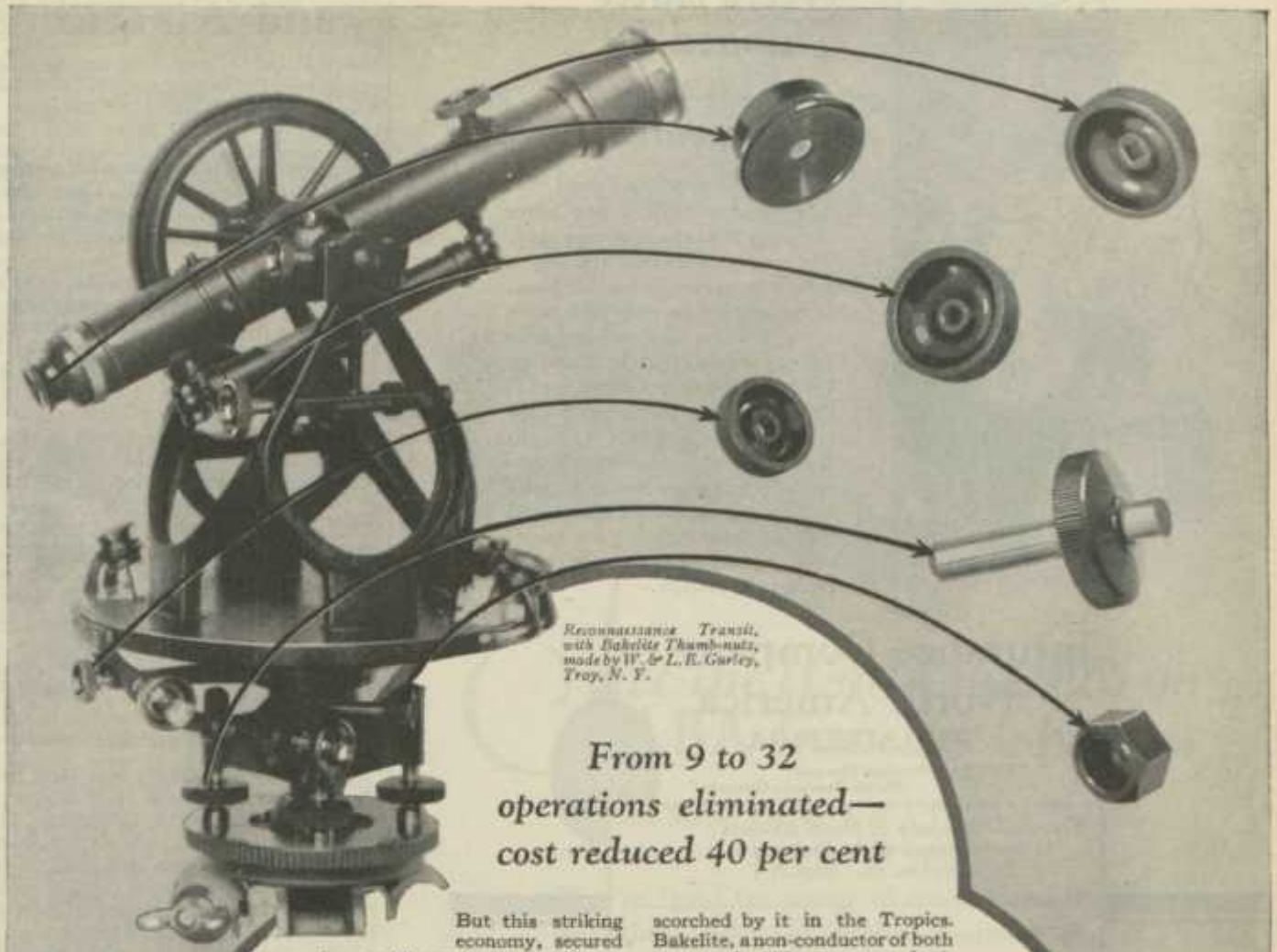
The department store will profit by the marked advantages wich it has over its competitors. It is well and favorably known. It is large enough to have its place in the public eye. Through specialization and economy its dominance will continue.

The greater spirit of cooperativeness to be found among department-store men is one of the least tangible but most potent factors in the whole system of retailing, and will have a marked effect upon its future.



COURTESY MANUFACTURERS NEWS

The Excavation. Reproduced from an etching by Anton Schutz



Reconnaissance Transit, with Bakelite Thumb-nuts, made by W. & L. E. Gurley, Troy, N. Y.

From 9 to 32 operations eliminated— cost reduced 40 per cent

But this striking economy, secured by molding these thumb-nuts and the eye-piece of Bakelite, was not the only advantage gained. Surveying instruments are used in all climates—in the Arctic regions where temperatures drop to 60 below zero, and in the Tropics where they rise to 110 and higher.

The metal thumb-nuts previously used, became very hot or very cold when exposed to extreme temperatures and were difficult to use. Fingers would freeze to the metal in zero weather and be scorched by it in the Tropics. Bakelite, a non-conductor of both heat and cold, overcame both faults.

Bakelite, because of its unique combination of important properties, has aided in solving many manufacturing problems. Perhaps in your own product there is some part or device that would be improved if made of Bakelite. Write for our Booklet No. 42 "Bakelite Molded"—and learn of the varied problems that Bakelite has solved. Our engineers and laboratories are always ready to serve you.



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"The registered Trade Mark and design shown above may be used only on products made from materials manufactured by Bakelite Corporation. Under the capital "B" is the compound sign for infinity, or unlimited quantity. It symbolizes the infinite number of phenol and formaldehyde resins of Bakelite Corporation's production."



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NORTH America Parcel Post Insurance does not cover currency sent through the mail. Yet every package mailed is money in an equally losable form. Insurance is your only protection against financial loss on packages, and a North America Coupon Book represents dependable insurance in its most convenient form. Wrap a North America Coupon in every package and you are assured of satisfactory adjustment without red tape or delay. Ask your insurance agent, or write for complete information.

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REPRINTS OF ARTICLES
appearing in this magazine may be ordered from us at cost.

We will give permission, upon request, to *reprint* articles from NATION'S BUSINESS in house organs or in other periodicals.

NATION'S BUSINESS, Washington

How Springy the Bristles Feel!

The best painters are — WHITING-ADAMS BRUSHES.

Get a *good* brush — one that will last and give years of satisfactory service. WHITING-ADAMS BRUSHES give the kind of service you want.



WHITING-ADAMS **BRUSHES**

Send for Illustrated Literature

JOHN L. WHITING-J. J. ADAMS CO.
BOSTON, U. S. A.
Brush Manufacturers for Over 116 Years and the Largest in the World

IF YOU HAVE A SELLING PROBLEM

Don't Fail to Send for a Copy of This

FREE BOOK ON DIRECT-BY-MAIL ADVERTISING

Shows how to increase sales and decrease selling costs.

"Wonderful Stuff!" is echoed by all who have read it. *"Recently I invested in a set of business books that cost a lot of money,"* wrote one; — *"But I got more real benefit from your little book than from all of them!"*

And, now, all you have to do to get YOUR COPY is to clip out this advertisement, put it in your regular business letterhead, and mail it to the

ELLIOTT ADDRESSING MACHINE CO.
149 Albany St., Cambridge, Mass.

Ethics of Chinese and Americans

San Francisco,

Editor, NATION'S BUSINESS,
Washington, D. C.

Dear Sir:

We desire to take issue with some of the statements of Mr. Toy K. Lowe which appeared in an article, "Chinese Business Based on Honor," in a recent issue of NATION'S BUSINESS.

It was the contention of Mr. Lowe's article that the Chinese as a race have more honor and integrity in their business transactions than Americans have. Mr. Lowe, it will be recalled, is vice-president of the Chinese Chamber of Commerce of San Francisco.

The Directors of the Board of Trade of San Francisco are of the opinion that, as Mr. Lowe's article alluded to the influence or power of the Chinese Six Companies and the Chinese Chamber of Commerce, the reply should show that these organizations will not assist the public authorities or defrauded creditors in any way in apprehending or prosecuting a fraudulent Chinese debtor.

We feel that we are entitled to make reference to specific cases as long as names are withheld.

Failures Disprove Honesty

THE Board, comprising over three hundred and fifty wholesale merchants, which has been dealing with commercial failures for nearly fifty years, was keenly interested in the subject, as were four hundred wholesale merchants throughout the United States, who were recently defrauded of over $100,000 in three Chinese failures.

When the Board was called upon to investigate these failures, the discovery was made that the principal assets were gone, that the Chinese merchants had vanished, and that "all was lost save honor."

The declarations of Mr. Lowe seemed most opportune. He had said:

"I know integrity has its value in American business. But it isn't emphasized as it is by the Chinese.

"Should the Chinese merchant violate principles of strict integrity he would be disgraced. Not only would he be disgraced, but his family would be disgraced unless it should recoup the man he had cheated. Disgrace is as much feared in Chinatown as Americans fear poverty or failure."

Appeals to Board Fruitless

APPEAL was made to Mr. Lowe and the Chinese Chamber of Commerce and also to the Chinese Six Companies to assist in locating these fraudulent Chinese debtors who were under indictment by the Grand Jury and also to help in the recovery of the stolen or diverted goods, but the appeal brought only the suggestion that such matters were best left to American courts, sheriffs, police and creditors' associations. The Board of Trade was well acquainted with these agencies in the prosecution of fraudulent debtors, but it never looked upon them as essential factors of an "honor system."

Mr. Lowe in his article said:

"The buyer simply makes a note in his memorandum book that the goods have been received. Sometime before the end of the year, doubtless on some feast day, he makes a call on the firm he purchased the goods

from and pays him, or perhaps in recent years sends his check on an American bank and that is all there is to it. Seldom is there any dispute. Much bookkeeping is saved."

The creditors of these Chinese merchants who disappeared with over $100,000 worth of unpaid-for goods have waited over many feast days but have had no calls and no checks. They would be glad to save the red ink in their bookkeeping departments.

"There are two sides to every question" is an old adage with Americans.

"Every truth has four corners" is one of the wise sayings of Confucius, the great Chinese philosopher.

The Vice President of the Chinese Chamber seems to have been lured into that fascinating field where "glittering generalities" show up brilliantly, just as thistle blooms overwhelm a somber field of wheat.

No Debtors on "Honor Roll"

THE wholesale merchants of San Francisco and elsewhere in commenting on Mr. Lowe's article have nothing derogatory to say of the Chinese race. San Francisco is proud of Chinese merchants whose "word is as good as their bond." It is merely suggested that the business millennium, when any class of debtors may be placed upon an "honor roll," has not yet arrived.

The Chinese failures referred to do not necessarily warrant undue distrust or suspicion of other Chinese merchants, but they do indicate that a Chinese merchant is not entitled to any greater confidence or trust than business men of any other race.

Our wholesale merchants regard Mr. Lowe's statements as calculated to create false impressions and result in unwarranted credit being extended to Chinese merchants on the theory that it is unthinkable that they would be guilty of fraudulent failures and that if they attempted to do so, they would be sharply brought to account and disciplined or punished by the Six Companies of the Chinese Chamber of Commerce.

As stated, though, three fraudulent Chinese failures have been submitted to these Chinese judicial and administrative organizations employing the "honor system" and they have refused to act, merely suggesting recourse to American laws.

Signed,

W. M. LEVANSALER,
President of the Board of Trade,
San Francisco.



COURTESY HAGER AND BROTHER, LANCASTER, PENNA.

Christopher Hager, merchant and banker, who founded the first department store in America at Lancaster, Pennsylvania, in 1821



See the World in 1926 on A·B·A Travelers' Cheques

Like the Magic Carpet, A·B·A Travelers' Cheques will take you wherever you want to go.

They're "good for money wherever money means anything"—day or night, business day or holiday, *everywhere.*

11 other reasons why you should carry

A·B·A American BANKERS Association Cheques
"TRAVEL MONEY"

—safer than currency to carry on the person while traveling.
—convenient because not dependent for cashing upon banks or banking hours.
—self-identifying through your signature.
—accepted by hotels, garages, ticket offices, shops and banks the world over.
—do away with necessity for changing currencies when crossing international frontiers.
—cashed in foreign countries at current rates of exchange.
—crisp, clean and handsome as new bank-notes—features which appeal especially to women travelers.
—light to carry and easy to use; issued in compact bill-folds in denominations of $10, $20, $50 and $100.
—accepted for U. S. customs duties.
—the official travelers' cheques of the American Bankers Association.
—sold by 11,000 banks and trust companies in the United States and Canada.

Buy your A·B·A Travelers' Cheques at your local bank.

The Agent for the Member Banks for the payment of all American BANKERS Association Travelers' Cheques is



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NEW YORK PARIS
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DO/MORE HEALTH CHAIRS

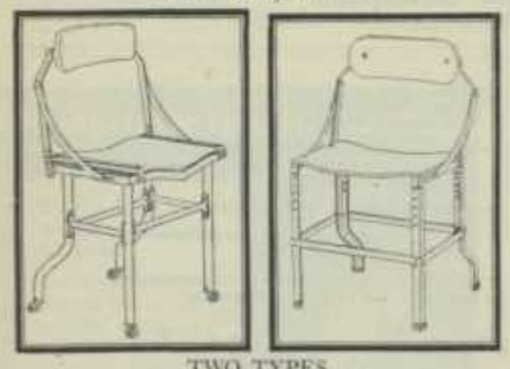


With the advent of women into industry, employers found it necessary to study health problems more closely. Seating was found to be vitally important. Today, progressive employers provide correct seating for every worker.

Do/More Health Chairs give scientifically correct support to the body. They build mental and physical alertness. Reduce fatigue. Minimize accidents. Prevent inaccuracies and mistakes.

In Do/More Chairs, both office and factory workers are happier, healthier—able to do a better day's work. Do/More Chairs are wonderfully well made. The price is moderate. Write for details.

Do/More Chair Company
Dept. 101
Elkhart, Ind.



TWO TYPES

Do/More Office Chairs are sturdily built. Anatomically correct in design.

Do/More Factory Chairs are built of strong, angle steel. Outlast wooden chairs—practically indestructible.

Do/More Chair Co.,
Dept. 101,
Elkhart, Ind.

Gentlemen:

Please send me complete information and prices on ☐ Office ☐ Factory Chairs.

Name.....

Address.....

City.....

Recent Federal Trade Cases

DISCONTINUANCE of the use of misleading pictorial representations is required by the Commission in a prohibitory order issued against a New York mattress company. This company's trade-mark adopted several years ago, the Commission explains, included the picture of a mattress, of which one part appears finished or complete, and the other appears opened, disclosing "expanded, superimposed layers of a fabric material." Investigation reveals, the Commission reports, that the pictorial representations of the company's mattress on labels and in advertising matter "grossly exaggerate the expansion which actively occurs in the mattress filling freed at one end from restraint," and further, that

the picture indicates the expansion of a four-inch restrained mattress, when opened at the end, to about thirty-five inches or more, whereas it was found as a matter of fact, that the actual expansion did not exceed from three to six inches above the restrained thickness of the mattress. The pictorial misrepresentation misleads the purchaser as to the true resiliency of the mattresses so labeled and causes the purchase thereof in preference to competitors' mattresses that are not untruthfully represented.

The Commission also found that two of the registered trademarks of the company cited, showing the opened end of mattresses tremendously expanded, but without the figure of a woman, have been canceled by the United States Patent Office on the ground that such trademarks are descriptive.

This ruling, the Commission says, has been sustained by the Court of Appeals of the District of Columbia. Commissioner Humphrey dissented from the issuance of the order.

PROCEEDINGS before the Federal Trade Commission, or related to its activities, for the month, are reported here. High lights among the proceedings are:

Pictures of Mattress Expansion Not in Accord with Facts, Commission Contends

Coal Not Mined in Mt. Olive Mines Must Not Be Described as "Mount Olive" or "Mount Olive District" Coal

Disparagement of Self-Rising Flour by Baking Powder Company Banned

Attorney General Without Power to Compel Submission of Commission's Evidence to Him

Commission Appeals Court Decision in Tobacco Case

Paint Manufacturer Appeals from Order Involving Use of Designation "Combination White Lead"

Complaints of Misrepresentation Against Correspondence School and Hay Dealer

Dismissals

Maker of Men's Shirtings Misbranded Cloth, Commission Charges

COAL not mined in the Mt. Olive district of Illinois must not be described as "Mount Olive" or "Mt. Olive district" coal, the Commission rules in an order directed to a St. Louis corporation organized to sell and distribute coal in wholesale quantities to retail dealers, industrial plants and car-lot customers in Illinois, Missouri, Arkansas, Iowa, and Wisconsin.

The Commission found, it says, that the corporation has been selling in interstate commerce large quantities of coal produced from mines at Pocahontas, Breese, and Beckemeyer, Illinois, under the trade name and brand of Mt. Olive district coal.

The coal so produced was represented in advertisements and circular letters as Mt. Olive district coal, the Commission contends, and the company's sales activities were in direct competition with coal dealers who actually produce coal from what is generally known as the Mt. Olive district. Coal from that district, the findings explain, has peculiar characteristics of fracture and composition, and has become favorably known to a considerable part of the trade and consumer public as Mt. Olive coal. Producers of Mt. Olive coal have spent considerable money in advertising it as Mt. Olive coal, the Commission found.

Use of the words "Mt. Olive" by the St. Louis corporation, the findings conclude, misleads and deceives the trade and purchasing public into the erroneous belief that the coal so designated is produced in the Mt. Olive district, thereby diverting trade from competitors who truthfully designate the origin of their product.

CIRCULATION of statements in disparagement of the use and wholesomeness of self-rising flour are condemned by the Commission in a decision to issue a prohibitory order against a Chicago baking powder company. This order forbids the company to employ writers to disparage the wholesomeness of self-rising flour, to circulate the articles under the names of the writers, and to conceal or withhold from trade and public the fact of their employment.

From its investigation of this case the Commission reports that the company obtained the services of Dr. Thos. G. Atkinson in preparing a book entitled "Domestic Science Health Book, Baking Powder a Healthful Leavening Agent"; that Dr. Atkinson received a fee from the company for surrendering to it all right, title and interest in the book, although no record of the assignment was made in the United States Copyright Office; that the publication of the book was at all times subject to the control and at the expense of the company; and that the book was written for the use of domestic science teachers, a number of editions having been published.

And further, the Commission found that the company's salesmen and demonstrators distributed 14,000 copies of the book, and that although some of the latest copies printed included labels stating that the book was the property of the baking powder company, no mention was made regarding the facts of its authorship. Dr. Atkinson's book, the findings continue, contains disparaging statements regarding self-rising flour, statements which were used later by an employe of the company in preparing a book entitled "Twenty Lessons in Domestic Science." This book was also distributed by the company.

Concealment by the company, as an interested party, of its activities in circulating disparaging statements about self-rising flour, the Commission contends, handicapped manufacturers of self-rising flour in defending their product. The disparaging articles, prepared at the company's expense, the Commission says, included numerous statements adverse to self-

To Our Readers...

THIS is the advertisement of your magazine which won the One Thousand Dollar Harvard Award, founded by Edward W. Bok, for the most distinguished single advertisement appearing in 1925, "most effective in the use of text."

The text is as true today as when it appeared last October—with this correction: The circulation of NATION'S BUSINESS is not 200,947; today it is 218,844.

This advertisement appeared in the

New York Times
Cleveland Plain Dealer
Kansas City Star & Times
Chicago Daily News
Philadelphia Public Ledger
Milwaukee Journal
San Francisco Chronicle
Seattle Times
St. Louis Post Dispatch
and
Chicago Tribune



THE NEW YORK TIMES, TUESDAY, FEBRUARY 23, 1926. 15

"LET WASHINGTON DO IT"

AN IOWA shoe dealer writes—"There ought to be a law to limit the styles of shoes."

As a people, we have come to expect the Federal Government to perform economic miracles. "Pass a law" has become the national panacea.

If we think the price of wheat is too low, we say to Washington—"Please raise the price of wheat." If we think the price of sugar is too high, we say to Washington—"Please lower the price of sugar."

We ask Washington to lower the freight rates and in the same breath request higher wages for railroad labor. We haven't yet thought of a glorious third law compelling the railroads at the same time to pay higher dividends—and to pay them oftener.

Aren't we asking too much of our legislators? They are not supermen.

The cynic says that the trouble with representative government is that it truly represents. It does truly represent—and therein lies its great strength.

But it can no more repeal economic law than it can repeal the laws of nature.

WASHINGTON is just a great cross-section of American citizenry—hard-working, honest, doing its best under a deluge of instruction from all of us, the burden of which is—"There ought to be a law . . ."

Last year 100,000 new laws were proposed in this land of the free, where already there are 1,900,000 on the statute books.

We have come to ask Congress to do everything from enacting a maternity bill to running a three-billion-dollar merchant marine.

We forget that our forefathers who created the greatest form of Government of all time did not design that political mechanism to operate business enterprises.

The checks and balances, designed to protect political liberty, by their very nature prevent efficient operation of business projects. As Herbert Hoover puts it, "The Government lacks rapidity of decision." Which is proper. It can't cut corners. There must be debate. Even red tape. Business must make quick decisions.

Yet we go blithely ahead, asking Washington to enter new fields of business activity. We forget that every entry requires more laws, more officeholders, more expense, more taxes.

MORE important, every law which puts Government into business strikes at that which has made this Nation great—individual reward for individual effort.

Our national legislative mill will soon start grinding again. A large part of its grist, by far, will deal with business questions; your business and your neighbor's.

For this is an economic age—an age in which industry has become so interrelated that a law directed at one activity extends out and on, affecting a score of others in unlooked-for industries and localities.

AN IMPERATIVE need today is a better understanding of the growing relations between Government and business, and also a better appreciation of the dependence of every industry upon every other. NATION'S BUSINESS is a magazine devoted to this end. It is published in Washington by the largest business organization in the country, and is founded on the belief that anything which is not for the good of the public good is not for the good of business.

That the value of NATION'S BUSINESS is recognized by American business men is attested by this publication's growth. The circulation of NATION'S BUSINESS one year ago was 160,890. Today it is 200,947.

NATION'S BUSINESS

MERLE THORPE, Editor

PUBLISHED MONTHLY AT WASHINGTON BY THE CHAMBER OF COMMERCE OF THE UNITED STATES

Where Bankers Bank
And 200,000 Others

Five thousand banks, one out of every six in the United States, keep money on deposit here

The CONTINENTAL *and* COMMERCIAL BANKS
CHICAGO

RESOURCES HALF A BILLION AND A HUNDRED MILLION MORE

rising flour, involving "complex matters of opinions, scientific, medical or commercial, and incapable of determination by the uninformed trade or consuming public." The company's complete anonymity in its attack, the Commission charges, prejudiced the trade and public against self-rising flour to a greater degree than would have been possible had the company fully disclosed and identified itself as the active and interested agent in the preparation and circulation of the alleged attacks.

IN RESPONSE to a Senate resolution requesting an opinion with regard to the power of the Attorney General to require the Commission to submit to him evidence collected in its investigation of the so-called "aluminum case," the Attorney General declared, in substance, that the remedy for the situation is not in the hands of the Attorney General. Where an investigation is carried on by the Commission pursuant to the direction of the President or either House of Congress, Section 6 (*d*) of the Act requires the Commission to report "the facts" relating to any alleged violation of law which it discovers. Section 6 (*c*) requires it to report to the Attorney General only "its findings and recommendations," and does not require a disclosure of the facts or the evidence upon which those findings are based. The difference in phraseology between the two sections is so marked as to suggest that the Senate may have the power, by resolution to compel the Commission to transmit to it the evidence, i. e., "the facts," on which its report is based. The Attorney General concluded that he was without power to compel the Commission to submit its evidence to him.

THE Commission has asked the Supreme Court for a writ of certiorari to the United States Circuit Court of Appeals for the Second Circuit in a case against a tobacco manufacturer. An order was issued by the Commission against alleged cooperation and conspiracy of the manufacturer and a jobbers' association to fix the resale prices of tobacco products to retailers. The circuit court failed to find any cooperation or conspiracy. The court said the practice in question actually tended to promote fairness, and that practices cannot be regarded as fair which work the demoralization of the business.

A PAINT manufacturer ordered by the Commission to discontinue advertising his product as "Combination White Lead," because of the Commission's finding that the paint so advertised did not contain more than 3 per cent of sulphate of lead, has appealed from the decision to the United States Circuit Court of Appeals for the Second Circuit. The misbranding charged in this case, the Commission contends, deceives the public into believing that the paint contained either sulphate of lead or carbonate of lead, or the two in combination, as its predominant ingredients.

A CORRESPONDENCE school, charged with misrepresenting that it owns or occupies the entire building where it is situated, that it has a number of departments of instruction, that it has a large staff of expert instructors, and that its fee is reduced in each case from $75 to $25, has denied the practices charged or said that they have been discontinued.

Another complaint of false advertising is involved in a case against a dealer in hay, who is charged with selling an inferior hay "as and for timothy hay of the best grade and quality." Positive denial of the allegation has been made for answer to the complaint.

DISMISSALS have included cases against a dry goods corporation of New York, a steel products company of Akron and another of Cleveland, a Chicago meat packing company, an oil company chartered in New Jersey, a "knife information bureau" of Fitchburg, and several manufacturers of paving joints. Misleading the public by designating a mercerized cotton fabric "Silkette" was charged against the dry goods concern. The complaint was dis-

missed on recommendation of the Commission's chief counsel, and a stipulation, signed by the persons cited and the Commission, was accepted. In the stipulation it was agreed that the word "Silkette" when used by the concern in designating a cotton fabric would be accompanied by words clearly indicating that the fabric was made of cotton. Commissioner Thompson dissented from the dismissal.

Abandonment of the practice of maintaining a system of fixed retail prices and trade discounts mutually agreed on by the Akron Company and some of its dealers is the reason given for dismissal of the complaint in this case. The company manufactures automobile-wheel rims and rim parts.

On recommendation of the Commission's chief counsel the complaint against the Cleveland steel company has been dismissed. The Commission charged the company with reducing competition in the sale and distribution of automobile frames and frame parts by acquiring the capital stock of two other companies.

After standing seven years, the complaint against the Chicago meat packing concern was dismissed because the unfair practices alleged were discontinued by the concern. The complaint, entered in June, 1918, charged the packing company with suppressing competition by the concealment of its control and affiliation with a creamery company. The complaint also charged the company with paying higher prices for cream in some localities than in others.

Commissioners Nugent and Thompson dissented from the dismissal of the complaint against the oil company, the majority recommending dismissal after the taking of testimony and the hearing of argument. The complaint charged that the company's acquisition of one-half or more of the stock or share capital of a competing company was a violation of Section 7 of the Clayton Act.

Combining to maintain fixed uniform prices and thereby suppressing competition was the charge made against the "knife information bureau" and the manufacturers of paving joints. In one case, the prices were determined for "machine knives, paper mill bars, and machine bed plates"; in the other, they were determined for joints used to make allowance for the contraction and expansion of concrete paving, the complaints said.

MISBRANDING cloth is charged against a manufacturer of men's shirtings. Cloth he sold to shirtmakers bore labels with the word "Tabsylk" in large letters, the complaint says. The cloth is not made of silk, the Commission explains, contending that the practice misleads the public.



COURTESY MANUFACTURERS NEWS

Outbound. From an etching by Anton Schutz

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

393 SEVENTH AVENUE, NEW YORK, N. Y.

A Mutual Company Incorporated under the Laws of the State of New York

STATEMENT OF CONDITION AT DECEMBER 31, 1925

OUTSTANDING INSURANCE $4,394,848,901.00

Total amount of the Equitable's outstanding policy contracts.

INSURANCE RESERVE ..... $ 679,931,652.00

That portion of the Assets reserved to pay all policies as they mature. This is adequate because it will be increased by future premiums and interest. The Reserve is determined by the Actuary, and verified by the Insurance Department of the State of New York.

CURRENT INSURANCE LIABILITIES ..... $ 15,037,692.84

These include Claims and Endowments pending, Funds left with the Society at interest, Premiums and Interest paid in advance, and Dividends not yet taken.

TOTAL INSURANCE LIABILITIES ..... $ 694,969,344.84

MISCELLANEOUS LIABILITIES ..... $ 9,519,809.86

Principally interest and rents paid in advance, reserve for taxes, and commissions, rents, and office expenses due or accrued.

TOTAL LIABILITIES ..... $ 704,489,154.70

ASSETS ..... $ 792,405,106.54

These Assets include mortgages on farms, homes and business properties, loans to policyholders, bonds, cash, etc., and are $87,915,951.84 in excess of Total Liabilities. This excess constitutes the Surplus Reserves.

SURPLUS RESERVES ..... $ 87,915,951.84

For distribution in 1926:	
On Annual Dividend Policies	$33,400,000.00
On Deferred Dividend Policies	3,844,789.00
Awaiting Apportionment on Deferred Dividend Policies	481,194.00
For Contingencies	50,189,968.84

NEW INSURANCE PAID FOR in 1925 ..... $ 825,587,841.00

Ordinary	$758,436,268.00
Group (new groups only)	67,151,573.00

PAID TO POLICYHOLDERS IN 1925 ..... $ 98,483,113.08

TOTAL PAID TO POLICYHOLDERS SINCE ORGANIZATION $1,885,848,534.57

Comprising Death Claims, and payments to living policyholders under matured Endowments, Annuities, Cash values, and Dividends.

THE COMPLETE ANNUAL STATEMENT WILL BE SENT TO ANY ADDRESS ON REQUEST

W. A. DAY, President.



Beech tree, estate of John B. Stetson, Jr., Elkins Park, Pa., treated and saved by Davey Tree Surgeons. New bark along both edges is healing perfectly over Davey cement filling

Nearly $2,000,000 for Davey Tree Surgery in 1925

The Davey Tree Expert Company did a volume of business of nearly $2,000,000 last year, and the only thing they have to sell is *personal service*—the service of highly trained, professional Tree Surgeons, whose work is mechanically perfect and scientifically accurate.

Last year Davey Tree Surgeons served 13,086 clients—an average of less than $150 per client—from Boston to Kansas City, and from Canada to the Gulf. There are nearly 700 of these master Tree Surgeons, some of whom live and work in your vicinity, within easy motoring distance of your home. They are quickly available and no carfare is charged.

It will cost you nothing to have your trees examined by these men who know trees and Tree Surgery values. You can get an honest, authoritative opinion without obligating yourself.

THE DAVEY TREE EXPERT CO., INC.
434 City Bank Building
Kent, Ohio

Attach this coupon to your letterhead and mail today



JOHN DAVEY
Father of Tree Surgery

THE DAVEY TREE EXPERT CO., Inc.
434 City Bank Bldg.
Kent, Ohio.

Reg. U. S. Pat. Off.

Gentlemen: Without cost or obligation on my part, please have your local representative examine my trees and advise me as to their condition and needs.

Digest of the Business Press

Comments from the Trade Journals

By WM. BOYD CRAIG

GERMAN steel will be used in the construction of an addition to the Library of Congress at Washington unless unforeseen circumstances arise. It is now within the realm of probability that books to be received in the future by the Library will be supported by metal produced and fashioned by the late enemies of the United States.

American iron and steel producers are attempting to invoke the Antidumping Law, according to the *Iron Trade Review*, to prevent what is termed the "dumping" of German steel into this country. The contractor is the Snead and Co. Iron Works, Jersey City, N. J., and it is understood that an order for a small amount of tonnage has already been placed with a German mill. The job is a relatively small one, a bid of $725,000 being successful. David Lynn, architect of the Capitol, who awarded contract, stated, according to the *Review*, that he had not been informed thus far that German steel was to be used, and that it would be unfortunate if this were the case, since this would establish an unfortunate precedent for the Government. It is said that the Customs Office has started an investigation which will be completed in about two months.

The statements of the *Iron Trade Review* were answered by Angus S. Macdonald, president of the contracting firm, in part, as follows:

"The several hundred tons of metal that we have considered buying from Belgium, France and Germany is only a comparatively small part of the total tonnage in the contract and consists for the most part of certain special shapes



and sizes that are not rolled in this country but which are required to secure proper efficiency for meeting the particular conditions of this unusual bookstack. The great bulk of the tonnage will be of domestic origin and production from ore through to finished product. We say that as a matter of information and not of apology because it is obviously impossible for foreign nations to pay their debts to us without our buying some of their products, and we see no reason why domestic steel producers should not bear this competition just as other producers must bear it."

Price Precedes Patriotism In Buying, Rulers Discover

WHEN England's king visited the British Industries Fair at Shepherd's Bay he found that typewriters used by departments of his government were made in America. When producers of British typewriters showed him some of their own make and explained that they could not sell them to the departments, the king took the matter to heart and promised to "see to it," according to an Associated Press dispatch in the Baltimore *Sun*. The king's indignation seems to have proved more effective than the displeasure of mere members of Parliament, for the matter had already been aired there with no effect. The Westminster *Gazette* now announces that the deputy controller of the stationery office, who controls the purchase of supplies, has stated that henceforth English machines will be bought.

"The subject had been ventilated in the House of Commons when Ronald McNeill, Under-Secretary of Foreign Affairs, excused the government's stationery department for buying American typewriters, on the ground that almost all the best typewriting machines are of American make," said the *Sun*.

"He was afraid it was a fact that British workmanship up to the present had not produced a very good article, but the stationery office was testing three British machines, and, he added, 'when we can find a British machine at all equal in efficiency to the foreign-made machine we will certainly give preference to the British article.'"

English economists and statesmen have been discussing for some time the advisability of a



strenuous campaign for the purchase of home products in the home markets. This found its most recent expression in the Merchandise Marks Bill. The slogans "Buy British Goods" and "British Goods Are Best" were calculated to stir up a feeling that preference should be accorded goods of home production and were used as cancellation marks for stamps. A peculiar twist to the scheme was discovered by the London *British Industries*, organ of the Federation of British Industries. It was brought to light that the machines which imprinted the commendatory slogans were of foreign construction. Some were American and some were Norwegian.

British exhibitors at Wembly who, for the excellence of their products, were granted handsome diplomas were abashed when they turned the paper to the light and found the watermark "Made in U. S. A." To say that they were positively taken aback might not be putting it too strongly. English and colonial editorial opinion at the time held that it was a shame and that something should have been done about it.

Manchester Guardian records the growing dissatisfaction of British subjects over the recent purchase of Agecroft Hall, in Pendleton. The Hall, one of the finest remaining examples of Tudor architecture, has been purchased by an American who proposes to move it, *in toto*, to Elizabeth, N. J., and reestablish it there. Beams, balusters, heraldic stained glass and stone work are all to leave England. Some time ago Warwick Priory was sold to Ameri-



cans with the understanding that it was to be transplanted to Richmond, Va., the *Guardian* asserts.

The English Government is not the only one to be faced by strange problems involving a conflict between patriotism and price. The Navy Department of our own government has



The defender at the gates. Defective raw material "shall not pass" this alert tester. One reason why telephones are made right.

"They shall not pass—"

WITH this watchword of determination the French held back their foe at Verdun. Today "they shall not pass" is a watchword equally determined in Western Electric telephone making—only here it always means "defective materials and apparatus shall not pass."

Inspection, inspection, inspection is the order of the day in this work of making telephones and telephone equipment.

From the raw material stage, when strength tests and quality tests are rigorously applied, through every step of manufacture, a telephone must qualify for service—and do so before a chain of critical inspectors.

This insistence on high standards of materials and workmanship is Western Electric's day-to-day part in making Bell telephone service the standard of the world.



The acid test. The coating on a telephone must prove that it can resist corrosion.



A machine imitates the hand, lifting and replacing a telephone receiver. An endurance test.



Western Electric

SINCE 1882 MANUFACTURERS FOR THE BELL SYSTEM



And He Sued!

Hurt—as he cut across the plant grounds

YOU pay the bill—when an outsider is hurt while "short-cutting" across your plant grounds.

You pay the bill—when a child is killed or injured while playing on your property.

Paying the bill often costs $25,000 or more—paying for an Anchor Fence instead *prevents* trespassing and costs but a trifle in comparison!

Our nearest office or sales agent will gladly and promptly send you full information regarding Anchor Fences and their enduring construction.

ANCHOR POST IRON WORKS
9 East 38th St., New York, N. Y.

Boston, Chicago, Cincinnati, Cleveland, Detroit, Harrisburg, Hartford, Los Angeles, Mineola, L. I., Philadelphia, Pittsburgh, St. Louis, San Francisco

Sales Agents in Other Cities 2632-G



Anchor Fences
of COPPER-BEARING STEEL WIRE
GALVANIZED AFTER WEAVING

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the problem on its hands of deciding whether to buy an American-made product or to purchase from a foreign source at a smaller cost. The Yangtze River Patrol Service called for the building of six new gunboats, and the money was appropriated by Congress. The original plans, says the *China Weekly Review*, called for the construction of the hulls in China and the Diesel engines in America. Navy officers gave the Shanghai shipyards a chance to bid, says the *Review*, and it was found that reciprocating steam engines instead of the Diesel engines would cut the cost by $2,000,000, almost half of the total cost. New York labor unions, when they heard that the navy officials were inclined to consider seriously the Shanghai bids, began a strenuous protest, insisting that since the ships are to be American ships they should be built in America, with American labor.

Volume of Instalment Sales Puzzles Financial Experts

INSTALMENT selling as a topic for discussion seemingly will not die. Attacks on the system, as quoted in these columns several months ago, are largely giving way to questions on the general trend of its direction.

"Instalment selling is born of the seller's passion for volume and the buyer's passion for indulgence. It ought not to be acclaimed as a valuable discovery in merchandising, or denounced as an unmixed evil. It is a thing to be analyzed, watched, and studied." This from George W. Norris, governor of the Federal Reserve Bank of Philadelphia, writing in *Textile World*. Mr. Norris feels that the system is defensible when applied to the purchase of large stable necessities, such as homes, tools, furnishings, and the like, and indefensible when applied to luxuries and perishable commodities. Also the seller should be sure that the buyer has use for the commodity and that he will be able to pay for it. The time should be reduced to a minimum, he contends.

"Some experts who are now making themselves heard insist that when retrenchment becomes necessary the purchasing power of the people will be reduced by the indebtedness they have already incurred, as well, as by any diminution in the future incomes," says *Commerce and Finance*. "Instalment buying is not a novelty. The chief significance of the present discussion is that it connotes a tendency to look on the dark side of the screen. If we have any recession in business it will be due to this tendency, for it is only in its psychological aspect that the outlook seems at all dubious," it continues.

"We could not eliminate the system if we would, and if we could we would render an incalculable injury to the nation. Obviously it remains only to embrace the good elements in the system and exclude the bad." Thus A. H. Swayne, president of General Motors Acceptance Corporation, summarizes the system in the *Acceptance Bulletin*, published by the American Acceptance Council.

Manufacturing Jeweler quotes the weekly financial review of the Mechanics and Metals National Bank of New York for the following:

"It remains to be seen, however, whether all this has checked future buying power, weakened the economic structure of the country or impaired its financial strength. Much instalment selling has without doubt been to wrong people, and those people, having gone beyond their financial depth, will have to curtail their buying of the future while they work to pay off what they bought in the past. But by far the largest part of the instalment selling has been carefully conducted and soundly financed, and over and above all, the records show the savings out of income on the part of millions of people have after all more than balanced the amount represented in the totals of instalment loans."

For seven years, since the war, observers have been watching to see what similarity there might be between this period and the corre-

sponding period following the civil war, *American Metal Market* observes. To quote:

"Deserving of attention is the similarity, that when the period of activity after the Civil War ended it turned out that people had not made the profits they thought they were making. They did not have the reserves they thought they had, and their properties were not worth as much as had been believed.

"This time there is a similarity in that profits have not been as large as would be expected considering the volume of activity, but there the similarity ends, for this time business houses know quite well what they have been making. Perhaps federal taxation has had something to do with the enlightenment, but there is the big difference that in the period after the Civil War business was done with commercial paper and the reserves were largely in that form, whereas nowadays the business houses have large amounts of cash and very little paper.

"This, however, brings us to the much discussed matter of 'instalment credit,' which some say has gone too far for our safety in future. The extra business created has been of a totally different sort. The undue activity after the Civil War, which required a period of six years of industrial depression to equalize, was chiefly in the form of building factories and railroads, which it turned out did not at once have the earning power expected, and they had to wait until the country grew up to them. Then they were found to be in place.

"This time the extra-activity is not in railroad building or factory building. There has been very little railroad building, and as to factories the situation has improved in the past seven years. There is less excess capacity now than there was at the end of the war.

"The extra activity, if there has been much of it, has been in the production of goods for the individual, the things bought for the house-



hold on instalments. It cannot be denied that there is a possibility of the result being the same, but the circumstances are quite different. In 1873 it was a case of factories and railroads finding they could not earn as expected, but the things lately bought were not expected to have an earning power, so there cannot be disappointment on that score."

Arthur Robinson, writing in *Liberty*, cites the remarks of James M. Lynch, president of the International Typographical Union, as typical of the sentiment of union labor leaders who condemn the system.

"Rapidly increasing production and the lack of foreign markets," Mr. Lynch said, "have turned the full force of the nation's highly organized selling force upon the domestic field. The result is the wage-earner, as well as other classes, has been driven into debt.

"Insinuating salesmen, trained in selling psychology and in credit desire, abetted by wives jealous of their neighbors' display, are constantly waiting to take the bread-winner in a weak moment and load something on him."

A correspondent writes to the *Wall Street Journal*, outlining his reasons for a conservative attitude toward instalment selling, as follows:

"While I do not feel the instalment plan threatens the early ruin of the Republic, I have a strong enough streak of conservatism to give me the impression that it has been carried a little far in some directions.

"While it is true the per capita instalment mortgage in this country may be about $40 should not this item be figured on the basis of families or of occupied persons?

"The 1920 census gave 41,614,248 gainfully

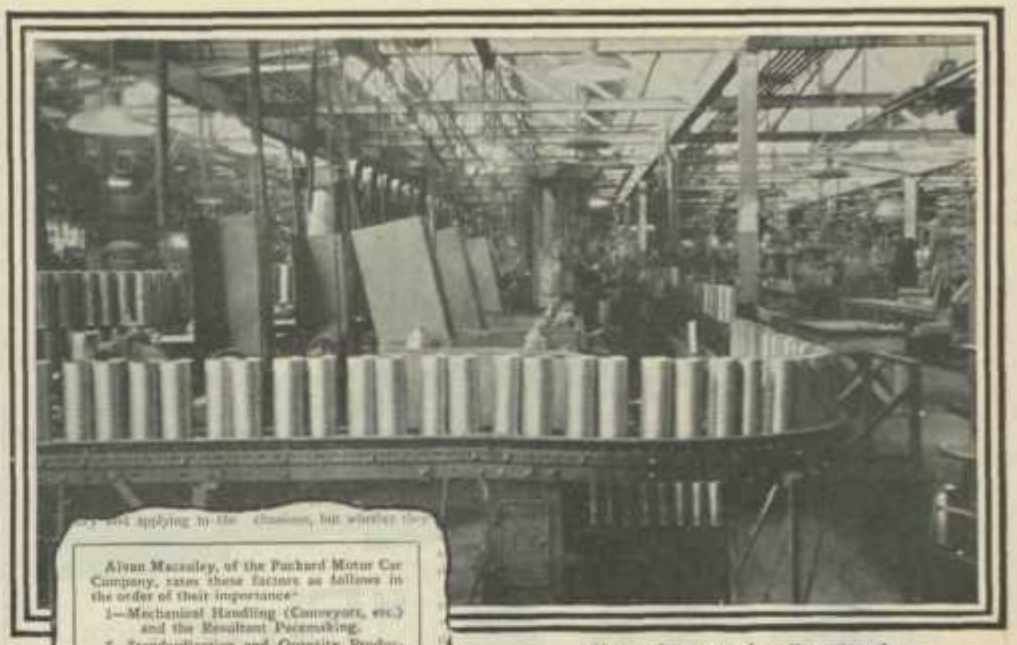


Photo of conveyer handling Knight Motor sleeves in Wilson Foundry.

Alvan Macauley, of the Packard Motor Car Company, rates these factors as follows in the order of their importance:

1—Mechanical Handling (Conveyors, etc.) and the Resultant Pacemaking.
2—Standardization and Quantity Production.
3—Sales Policy of Passing Cost Reductions to Consumer.
4—Automatic Production Machinery.
5—Quality of Factory Supervision (Foremanship, etc.).
6—Labor Efficiency.
7—Purchasing Policies and Methods.

It is interesting to note that in this classification mechanical handling is given more weight than standardization and quantity production.

This clipping is from Industrial Management, Jan. 1925. It presents an authoritative opinion that should have weight with executives in every industry.

"—the Resultant Pacemaking"

THE invariable result of the introduction of mechanical handling in any plant is just that—the setting of a new pace.

Where Mathews Conveyers have been introduced there has inevitably followed a very evident speeding-up in every department served.

The sight of materials traveling smoothly and quickly along on a Mathews Conveyer seems even to "step-up" the speed of the men at work in their neighborhood.

Production that has become "logy" by reason of congestion of materials "in" or "out," from machines, piled up in aisles, or delayed by slow trucks or slower elevators, will flow into new and lively channels when Mathews Conveyer Systems take on the job of moving material in progress.

Check up your plant with a Mathews Representative. There's no obligation except to give him a hearing when he has his recommendation ready.

Phone, wire, or mail the coupon.

Mathews Conveyer Co.
(Formerly Mathews Gravity Carrier Co.)
Ellwood City, Pa.

New York, Boston, Philadelphia, Buffalo, Pittsburgh, Cleveland, Detroit, Chicago, Atlanta, Anderson, S. C., New Orleans, Milwaukee, Minneapolis, St. Louis, Omaha, Denver, Salt Lake City, Los Angeles, San Francisco, Seattle.
Canadian Factory: Port Hope, Ont.

MATHEWS
Conveyer Systems
Increase Plant Profits

MATHEWS CONVEYER COMPANY, Ellwood City, Pa.
Your representative may call with a view to determining the "Pacemaking Possibilities" of Mathews Conveyers in our plant. He will report to Mr. _____
Firm _____
Individual _____
Address _____
N. B. 4-26

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"Fine! but how soon can we move in?"

Circle A Partitions are staunch and handsome, because of their uniformly heavy construction throughout, and their simple tongue-and-groove assembly. Railing, Seven Foot, or Ceiling Height; two designs, various woods, any finish. Send for the Circle A catalogue now.

This is sometimes a most important question to you in choosing office space. Plaster partitions may take weeks; Circle A Partitions can be erected in a day or two, or rearranged overnight to meet your requirements.

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658 South 25th St., Newcastle, Ind.

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SECTIONAL AND MOVABLE

NO INVESTOR EVER LOST A DOLLAR IN MILLER BONDS

WHO prepares your investments for you? These investment opportunities are prepared by men who have devoted their lives to the study of real estate—who bring engineering and architectural skill as well as financial conservatism to their task. They select as security, high class, income-earning hotels, office buildings and apartment structures.

No wonder Miller Bonds have an unbroken record of safety and pay interest up to 7%. Mail the coupon today for further information.

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Is the Business Man Interested in Family Finance?

We Are Told, "Not Much"

Well, then, "Discretion is the better part of valor." Women are going into home budgets. Those who have tried it find that the family budget eliminates a lot of unprofitable expenditures, builds up savings and tends to smooth down the wrinkles of care.

You are interested in the protection of your family, the education of your children and assuring old age independence for yourself and wife. All these can be worked out better through using the Family Budget.

Some day your wife will ask you about it. Are you posted? If not, look it up. The John Hancock Home Budget Sheet will give you a lot of new ideas.

Write "Inquiry Bureau"

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

A STRONG COMPANY over Sixty Years in Business. Liberal as to Contract, Safe and Secure in Every Way.

occupied in this country, and 24,351,676 families.

"Suppose for the sake of illustration families have increased to 26,000,000, and occupied persons to 45,000,000 since 1920.

"Then the instalment burden per family would be almost $200 and per occupied person $111. Subtracting the still large proportion of people who prefer to pay as they go, the burden on a good many families of small means but luxurious tastes may well be close to the limit."

Retailers Say Real Service Should Replace Present Fad

"FOR THE large department stores throughout the country, 'Service' with a capital 'S' has become almost a deity," according to *Textile World*. "Retailers have vied with one another on the matter of 'Service' until the idea, in itself fundamentally sound, has been carried to absurd extremes. The cost of selling a yard of goods is today burdened with a number of selling expenses which could be eliminated or materially reduced with a little intelligent effort.

"At the moment retailers as a class are bending every effort to save three or four per cent in purchasing their goods, and paying little attention to the 10 per cent that could be saved in a reduction of selling expenses and overhead.

"Let us have service, by all means, but please let us have less 'Service'."

The Merchants Journal and Commerce sees the same thing from the retailers' point of view. It says: "In recent years so much emphasis



has been put upon 'service' that in most cases the term has come to be loosely used as a fad, a fly-by-night fashion, without a true understanding of what it means. If the personnel of a retail store would render real service they must first understand the real meaning of the word. To get down to bed rock, service has its foundation in character.

"Let all merchants renew their efforts in rendering real service to their customer friends so that it will be a fact commented on favorably by every customer rather than a fad which is laughed at behind their backs."

Service Is Sold Not Given

ONE of the leading farm journals recently reminded retailers that the phrase "giving service" was a misnomer, for what the merchant really does is to "sell service," it was contended.

"Poor old 'service' has been overworked to death," says *Drug and Chemical Markets*, citing this as one example of "picking up a good technical word and by use (or misuse) stretching it out of all meaning."

Publishers' Weekly feels that the word has been used so often recently that now it has a sentimental rather than a practical application. "It is doubtful," says this journal, "whether the public wants service of such an exceptional extent that the cost of doing business is too greatly increased."

Controversy on Metric System Revived In Present Congress

THE PERENNIAL problem, the metric system of measurements, is one of the subjects brought to light by the meeting of Congress. Proponents of the decimal system are earnestly hoping that Congress will see the light and make the system the standard for American

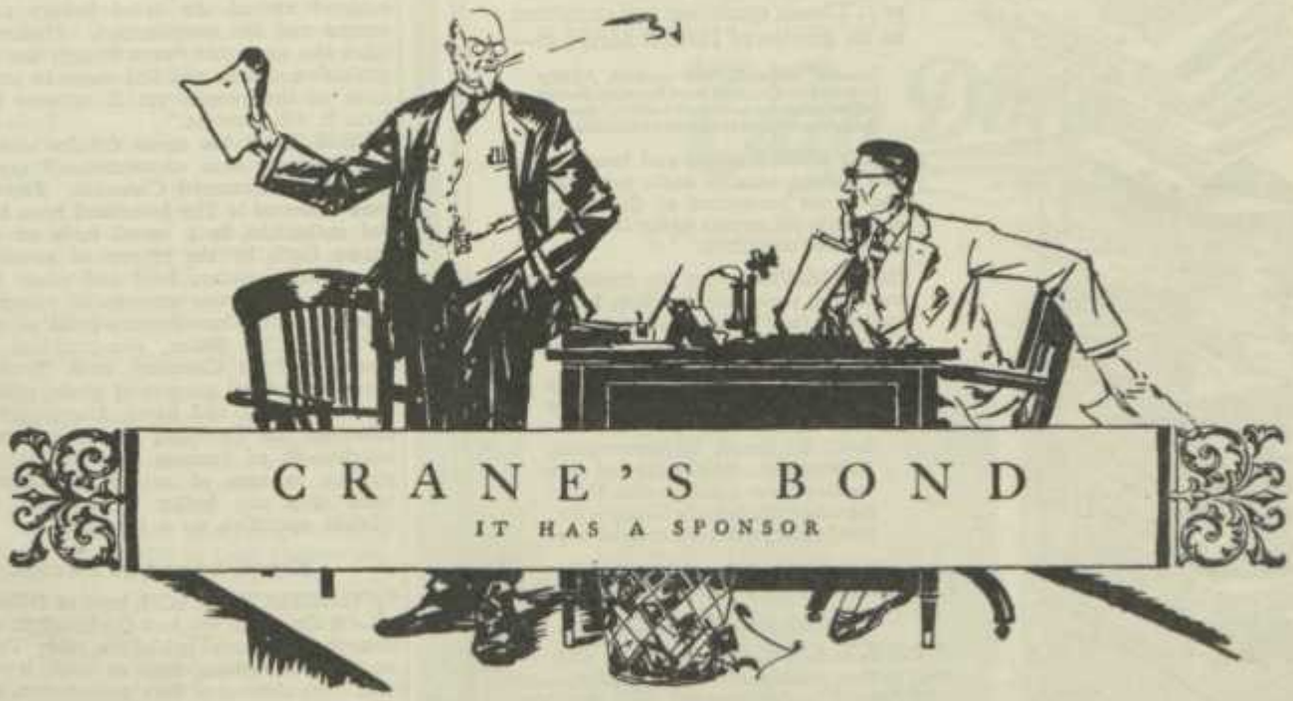
"The old time letterhead is good enough for me!" said old Horace J. Gannett, stubbornly.

"Plenty", thought his younger business friend—but he didn't say so.

Probably the people who do business with you aren't going to go out of their way to offer you advice about your letter paper. Probably the people you'd like to do business with are not going to give you their reactions to your stationery, whether favorable or unfavorable.

But—thinking now from their point of view—your stationery is a factor of your business which they know intimately. To them it represents the house. It is an appearance. It is a contact.

Don't forget that the memory-value of an old style letterhead is far less important than the favorable recognition of an effective new one. Give a thought to your letterhead. Give a thought to your paper, remembering that fine business paper is today a substantial symbol of successful business. If you go that far with us we do not believe we will have much difficulty in demonstrating that Crane's Bond enjoys the reputation of being the finest bond paper there is.



Ask your lithographer, printer, or stationer to put your letterhead, checks, statements and contracts upon Crane's Bond, as well as any other business form which reaches the outside public.

CRANE & COMPANY, INC. DALTON, MASSACHUSETTS

When writing to Crane & Company, Inc., *please mention Nation's Business*



weights and measures through the instrumentality of the Britten bill. Opponents hope just as earnestly that Congress will do nothing at all about it.

Scientific American asks, "Is it not an anomaly that a nation which prides itself on its labor-saving achievements should refuse to make use of the metric system—one of the greatest labor-saving devices of this or any other age?" The *American* admits that the anomaly is baffling, one for which it is difficult to find a reasonable explanation.

"Iron Age" Scorns Metric Plan

THE IRON AGE, on the other hand, scorns the system, and says that the movement for the system has been regarded by the majority as "preposterous, ridiculous, idealistic, fanatical; something that could never amount to anything." The *Iron Age* thinks that there is grave danger that the Committee on Coinage, Weights and Measures of the House will make a favorable report on the current bill advocating the adoption of the system. "It would be really less harmful if Congress should prescribe that on and after a certain date all business in this country should be transacted in the French language."

"The Grain Dealers National Association and, so far as we know, all of the state associations are on record as against it, but it may take more than resolutions passed at annual conventions to encompass its defeat," says *The Price Current-Grain Reporter*.

"Concerted action would seem to be in order, for there is no way of telling what this or some succeeding Congress might do about the matter, but the trouble seems to be that no one or no group is sufficiently interested or aroused, to take the initiative.

"Crystallizing public sentiment against the proposed bill would of course cost money, but so would complying with its mandates if it became a law."

Financial Interest Centers On Mergers and Combinations

THE BUSINESS press has more than a passing interest in mergers and proposed combinations. The main point of interest of course centered around the Ward bakery and food merger and the investigation. *Modern Miller* takes the view that "even though the new organization will be whittled down to satisfy the fears of the people, yet it appears in some form it will function."

"Wall Street has some definite ideas about limitations of such organizations," says *Commercial and Financial Chronicle*. These beliefs were expressed to The Associated Press by financial authorities in a round table of opinions drawn forth by the reports of consolidations in railroads, power, food and other business, while Congress was considering merger problems from the Government's point of view.

"Francis H. Sisson, vice-president of the Guaranty Trust Company, said: 'Economy in production, small margins of profit, quick turnover of capital and hence lower cost to the consumer are becoming more and more the watchwords of business men. It is perfectly obvious to men of natural intelligence that these ends can better be attained through efficient operation on a big scale.'

Human Interest as a Factor

"CLARENCE DILLON, head of Dillon, Read & Co., who has had the limelight recently through his financial operations, said: 'The greatest thing in business, large or small, is competition. The element of keen competition, which is that intangible zest, the very essence of alert life, must be preserved in big operations, even if there is need of constant watchfulness to prevent machinelike, impersonal administration. Individual merit must be quickly recognized and rewarded. The minute a corporation grows beyond its ability to do this it ceases to be a healthy economic factor in the community. Low

production cost is not everything. The joy of living, even if it costs more, is the principal thing we must preserve.

"'It would be a drab, monotonous world if everybody wore standardized suits, even if they cost less and were better than clothes that revealed individuality.'

"George E. Roberts, vice-president of the National City Bank, said: 'We have clung too long to the economic absurdity that large corporations are bad for the community just because they are large. If a great business genius, through operation on a big scale, is able to accumulate millions of dollars, what of it, if he has contributed at the same time toward the betterment of his community? Who can say he is worse off today because Henry Ford has amassed greater wealth? We might have had many more such examples if it had not been for the long period of anti-trust hysteria that blinded us for so many years. We may reach a time when automobiles will come with the rent, like built-in bath tubs.'

Mergers Impossible for Some

"SEVERAL men said that consolidation could not be applied to all lines of business. One of these was Harold Roberts, of Mulliken & Robbins, investment bankers, who for many years was an associate of the late J. B. Duke. He said: 'I do not believe the merger idea can be applied to the cigar business, because it has been impossible, and, so far as can be foreseen, will be impossible in the future, to manufacture cigars by machinery.

"'Thus nothing can be saved by introducing labor-saving devices, the principal reason for mergers. I believe in Roosevelt's slogan—"Penalize conduct, not size."'

"John C. Cowdin, member of Blair & Co., said: 'Whatever America has gained in her standing as the home of men of business acumen, has been gained through the operation of big business. I see absolutely no limit to which it can be carried, with profit to the country as an economic factor in world trade, so long as these corporations are run on sound, economic principles.'"

The proposal to tithe a part of the earnings puzzled many and brought out some querulous observations. "It is true," says *Commerce and Finance*, "that students of modern economic thought are coming to the conclusion that if, in time of business depression, corporations would distribute their surpluses in such a way that renewed buying power would be put directly into the hands of the consumer, then a far more even level of national prosperity could be maintained.

"But for business to go into charity on a wholesale scale would be an extremely unscientific way of achieving such an end. And it has the very obvious disadvantage of appearing to be an insincere method. Whenever profits are at stake—and they always are in industry—it is less profitable to have a reputation for philanthropy than for sincerity.

"Witness Mr. Rockefeller versus Mr. Ford."

"Artificial" Monopolies Safe

THEODORE H. PRICE, writing in the same journal, sees little danger in the proposed Ward combination or other big concerns, because of the fallible human element in management which cannot be eliminated by artificial or legal process. He believes that personality plays a more important part in corporation management—particularly in large corporations—than do systems and rules. He writes:

"The monopolies that are most to be feared are not those that are artificially created by corporate consolidation. They are natural monopolies like the railroad, the telephone and the anthracite coal monopolies. Such monopolies are in a sense self-perpetuating. They are immune from competition and are fostered by economic or physical conditions which enable them to pass on the cost of inefficiency to the consumer.

"Against their exactions society should be vigilantly protected; but industrial consolida-



"Those Van Dorn Storage Cupboards have proven a sound investment!"

Owners of one or more of the various styles of Van Dorn Storage Cupboards have this assurance: Every dollar of their cost has been returned many times over in protection to the articles stored against damage caused by dust, dirt, dampness, misplacement, carelessness and possible destruction by fire or rodents. In addition to the advantage of protection, Van Dorn Storage Cupboards effect an appreciable saving of time, as the possibility of hunting for lost or mislaid articles is eliminated. The resultant orderliness creates greater production efficiency on the part of office workers.

A new and improved line of Van Dorn Steel Storage Cupboards and Wardrobes enables you to choose the exact size and style of storage equipment you need for your particular requirements.

There are seven styles from which to choose. Four of these styles are illustrated below. For complete information and prices, communicate with the Van Dorn merchant in your community or write us direct.

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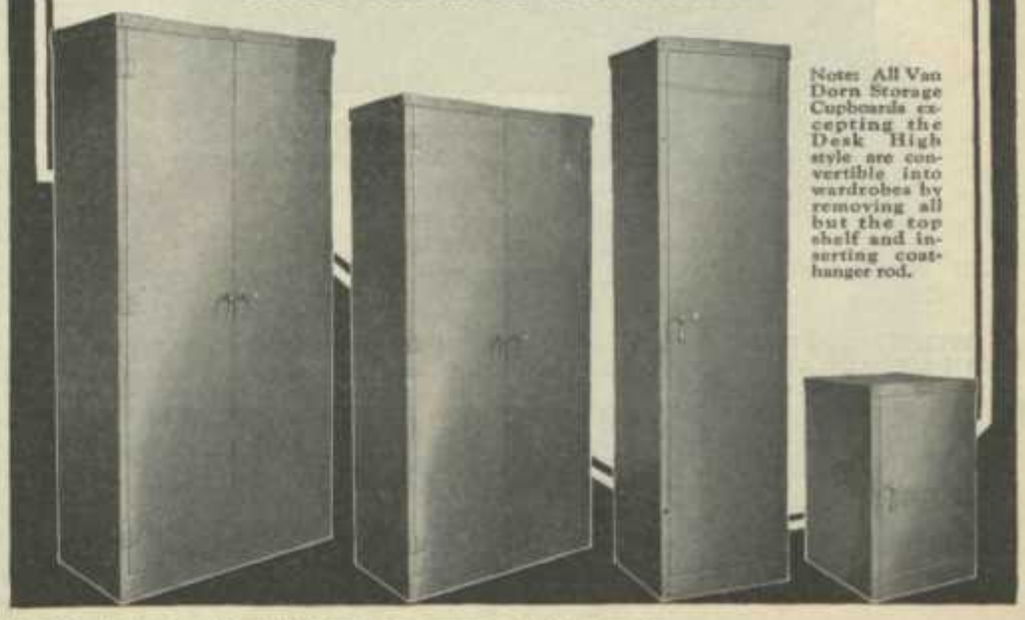
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STEEL STORAGE CUPBOARDS



Note: All Van Dorn Storage Cupboards excepting the Desk High style are convertible into wardrobes by removing all but the top shelf and inserting coat-hanger rod.

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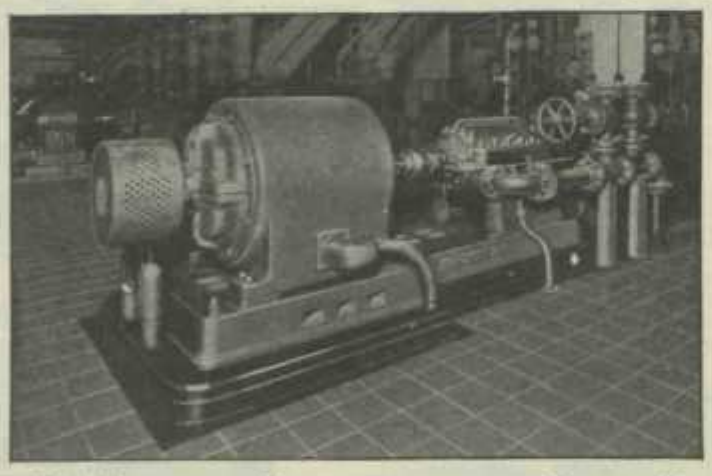
Worthington 1325-lb. Feed Pump *in America's highest pressure steam plant*



A WORTHINGTON 1325-lb. eight-stage turbine pump supplies the feed water to the highest-pressure steam plant in America—the 1200-lb. unit in the Edgar (Weymouth), Station of The Edison Illuminating Company of Boston.

That Worthington should be engaged to build the highest-pressure boiler-feed pump in America is a fitting recognition of the eminent position this Company has enjoyed for over forty years as a manufacturer of pumps and other power-plant equipment.

Other Worthington equipment in the Edgar Station includes the 350-lb. boiler-feed pumps, the surface condensers and auxiliary equipment, and a number of miscellaneous pumps.



Worthington 1325-lb., 3600-r.p.m. motor-driven multi-stage boiler-feed pump in the Edgar Station of The Edison Electric Illuminating Company of Boston.

IRVING E. MOULTROP
Ass't. Supt. of Construction Bureau
STONE & WEBSTER, Inc.
Builders

WORTHINGTON PUMP AND MACHINERY CORPORATION
115 BROADWAY, NEW YORK CITY BRANCH OFFICES IN 24 CITIES

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tions that have no exclusive right of way and whose success depends upon their willingness and ability to render real service at a reasonable cost are not as fearsome as the politicians would have us believe."

Stock Ownership and Voting Still Proving Controversial

THE GROWING sentiment against "absentee landlordism" as it pertains to the management of corporate enterprises, which came to a climax when Prof. W. Z. Ripley of Harvard arose to denounce non-voting stock, particularly in public utilities, is still running the gamut of editorial comment. The most recent defender of centralized management is Sameal Insull, president of Commonwealth Edison Company, Chicago. *Electrical World* is authority for the following from Mr. Insull, an excerpt from a discussion of the conduct of his own business:

"The Commonwealth Edison Company of Chicago has 42,000 stockholders. The article in the *Atlantic Monthly* is fearful that people of that character will have their power taken away from them and vested in a small number of interested operators. Eighty-five per cent of those stockholders live in the city of Chicago. Every effort is made to get them to a meeting. It is harder to get them to an annual meeting than it is to sell them securities in our corporations. If we get 1,500 there, we are tickled to death and proud of ourselves."

Need for Local Management

ELECTRICAL WORLD says the direction of executive policy from a central office, while it would make some economies possible, "offers grave danger if it be allowed to interfere with the intimate personal responsibility of the local management to the local public."

This organ quotes Executive Manager Aylesworth of the National Electric Light Association: "We must have no absentee landlordism in the electric power industry. It won't go in this country. Men in the field must be able to give 'yes' or 'no' to the people of the community they serve, and this local authority and responsibility must be in the hands of men of intelligence who are free to act unhampered by controls from New York or Chicago."

A subdivision of the topic of management that is causing diversified comment is stock ownership by employes. The system as practiced by the Philadelphia Rapid Transit was recently outlined by J. M. Shaw, public relations director of that company. He said, in part:

"The criticism has been made that employe-ownership plans frequently are based on the sale of non-voting stock. Accordingly the principle of employe ownership is frowned on in the highest circles of labor unionism. They feel that the distribution of stock to employes is a sop in many cases, unaccompanied by its equivalent in power over management. Concerning the justice of this claim I have nothing to say. I can say, however, that so far as our own organization is concerned, one-third of the voting stock of the company—200,000 shares out of a total of 600,000—is held in one block and voted at every meeting by trustees of the men's own selection. The next largest block of stock is about 5,000 shares. In such a corporation, a block of 200,000 shares comes pretty close to a controlling interest.

Called First American Soviet

"THE power which is thus placed in the hands of the employes has caused our organization to be called the first soviet in America. Is it not disastrous, ask the critics, to put the men in position to force the management to increase their wages or to pay out every available nickel in dividends? And our answer is emphatically 'No.' Our management's experience is that the employes of P. R. T. are far more to be trusted with control than the real estate speculators who originally built their property, or the financial geniuses of a still later day who brought it to the brink of ruin fifteen years ago."



The new Buchanan model case of engraved white or green filled gold. 17 jewel, adjusted movement. Fitted with dial shown, $53. Other models at $50.



The Twentieth Century Limited speeding along the shores of the Hudson River. This is one of the famous fliers timed by the Hamilton. (Picture reproduced from an oil painting, copyright, 1925, by the New York Central Railroad Co.)



The new Hawthorne design case of engraved 14K white or green gold. With dial shown, $112 to $172. Other Hamilton models, $48 to $685.

Throttle in one hand
watch in the other

THE conductor and the engineer of a crack train must know the exact time every mile of the way. Absolutely accurate time is also essential to the dispatcher and the signalman. In fact, every railroad man from switchman to high-salaried executive works continually by a watch of unfailing accuracy. Which is the watch these men select?

For over twenty years on almost every road in the country there has been one watch that railroad men depend on. This watch is the Hamilton. It keeps thousands of trains running on time every day. The hands of this watch direct the speed of the Twentieth Century Limited, the California Limited, the Broadway Limited, and the Olympian. It times the runs of the lowly locals and the plodding freights.

Engineers of the world's crack fliers must have accurate watches

The Hamilton enjoys unique prestige among railroad men. It is known from coast to coast as "The Watch of Railroad Accuracy." Let your next watch be a Hamilton, the watch that railroad men have made famous. Like countless other business and professional men who now carry this watch, you too will know the *correct* time whenever correct *time* is important. The secret of Hamilton's accuracy is capacity to take infinite pains. Every watch is an individual piece of fine mechanism, tested and re-tested.

A Hamilton Watch to suit your individual preference may be selected from a number of beautiful cases and dials. Some are simple, graceful and chaste. Some are beautifully engraved and ornamented. All have an intrinsic beauty that will keep them fashionable after years of service.

Ask your jeweler to show you a Hamilton today. He can show you Hamilton pocket and strap watches for men, and charming wrist watches for women. We have prepared a very useful little booklet, "The Care of Your Watch." We will send it on request. Write also for a copy of our new illustrated booklet, "The Timekeeper." Address Hamilton Watch Company, 847 Columbia Avenue, Lancaster, Pa., U. S. A.

The new Tonneau model wrist watch for women. Hamilton Wrist Watches come in silk ribbon models, and strap models. Cases are plain or engraved in white or green gold, 14K and filled. Prices $48 and $60.



The Hamilton Strap Watch for men. Square model. A timepiece of remarkable convenience plus Hamilton accuracy. Green or white gold, 14K or gold filled. Leather strap and luminous dial. Prices $55 and $85.



Hamilton Watch

The Watch of Railroad Accuracy

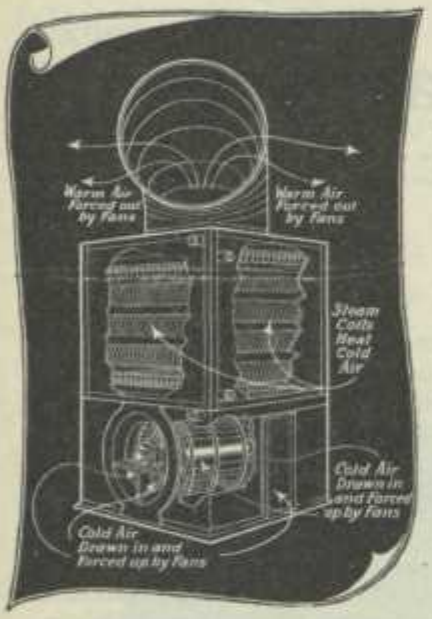
In Detroit

Hupp Motor Car Co.
Hudson Motor Car Co.
Chrysler Motor Corp.
Paige-Detroit Motor Car Co.
Murray Body Co.
Mutual Electric & Machine Co.

are among the favorably known institutions using Skinner Bros. Steam Coil Heaters.

This heating equipment could not enjoy such marked preference if its performance did not prove its excellence.

Likewise in every industrial center are Skinner Bros. Steam Coil Heaters receiving the endorsements of America's Leaders in Industry.



The New Improved Skinner Bros Two Fan Four Inlet Steam Coil Heater

Built in various sizes to meet every requirement of the modern industrial building.

We also build Skinner Bros. Direct Fired Heaters for use where steam is not available, and Skinner Bros. Light Weight Copper Tube Heaters, which are rapidly receiving acceptance everywhere.

Our heating and ventilating engineers will gladly confer with you—and without obligation.

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Serving Industry for More than a Third of a Century

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Eastern Office and Factories
120 Bayway, ELIZABETH, N. J.

SALES OFFICES AND BRANCHES IN ALL PRINCIPAL CITIES

Chips from the Editor's Work Bench

ON THE basis of the census of 1920, the population of the United States included 1,736,740 illiterate persons of foreign birth, and more than 3,000,000 illiterate persons among the native born — 1,242,572 whites and 1,842,161 negroes. Considering these facts in a report on "Adult Education for Foreign Born and Native Illiterates," Charles M. Herlihy, state supervisor of Adult Alien Education for Massachusetts, says "It is significant to note that the native illiterate group represents 64 per cent of our total national illiteracy problem" — a rather embarrassing variation of the slogan "America first."

SINCE 1919 the milk dealers of Chicago have saved an average of $750,000 a year through maintenance of a cooperative bottle exchange to combat back-porch campaigns of bottle bandits in the city and its suburbs. Thirteen motor trucks daily pick up 165,000 empty bottles—enough to fill eight freight cars—and carry them to the exchange, where they are sorted and crated for return to their owners. More than 500 dealers are included in this service.

"Carelessness and the operations of milk-bottle bandits," says Ernest Reuter, manager



of the exchange, "sent so many bottles astray that during 1924 we recovered more than 10,000,000 bottles from illegal use. Recoveries in one month were 989,000 bottles, compared with 248,000 for all of 1922. Bottles handled from all sources now total more than 50,000,000 a year."

Nobody thought much about the theft of a milk bottle, as Mr. Reuter explains, because "the cost of a milk bottle is approximately only 7 cents." But when the dealers did get around to thinking about the thefts, they wisely determined to check the loss by beating the bandits to the bottles. Stopping a leak of this sort does seem a proper matter for a business brought up on the bottle.

IF ALL the motor cars made in Detroit were let loose on the streets of that interesting city before distribution to other centers of demand, the traffic would undoubtedly be the kinkiest on view in any of America's up-and-coming towns. But the comforting fact is that most of the new cars are shunted out of town on freight cars, so that they are no menace to life and limb in the place of their nativity. There's no denying that Detroit does have a traffic problem, and two of her citizens propose to do something about it. These gentlemen, Harry R. Miller and Nicholas J. Schorn, have offered a patented plan for the free use of their home city.

According to their plan, street cars would make limited stops, with motor buses serving local stops. This coordination, the inventors say, would make safety zones unnecessary because car-riders would go to and from the cars by means of walks under the street pavements. Safety depots or loading stations would be placed between the double car tracks, and would be pre-pay stations. The inventors would also link their system with a subway downtown.

Elevated structures and subways for electric trains are suggested "only for the congested areas, with pedestrian ramps under the streets in these areas . . . as a means of providing grade separation which would on certain streets be turned into rapid transit streets or boulevards."

Details of the proposed plan have been presented to the city council, with estimates of the cost of practical application. It promises to make necessary looking underground for the pedestrian *rampant*, now usually seen crossing streets *passant guardant*. Headline (or footnote) "pedestrian ramps" heralds a new level of safety.

AS FAR back as history or tradition may reach, there is word of the balance, of its significance in weighing men and materials. The cryptic message of doom that appeared on a wall of Belshazzar's banquet hall had in it the judgment of the balance. In all times men have been concerned to discover whether they quite came up to specification, and whether the things they used were as represented or as required. This traditional concern, projected into modern times, inspired the development of testing machines in amazing variety of application.

With America's industrial awakening and the consequent development of complex processes of technical production, the need for precision-testing devices, became apparent and insistent. The ramifications of that need are indicated in an account of the Riehle Company of Philadelphia, commemorative of the hundredth anniversary of the company's founding.

This itemized narrative of evolution includes "tiny laboratory machines registering in ounces, to great screw-power machines bigger than the biggest locomotive, capable of weighing accurately up to a million pounds," and further,

a machine to test the adhesive power of medical adhesive tape, another to show the deformation of golf balls under varying driving stress, machines to test enamel plates, the muscular reaction of a frog's leg, the strength of an entire battleship anchor chain, a machine to test buttonholes and the shoulder padding in men's clothing, a machine to test the handles of caskets and another . . . to test the tractive effort of elephants.

Evidence enough the narrative gives for belief that modern Daniels temper the spirit of their judgments with the letter of modern testing machines.

OLD-TIME covered wagon days come to life again in the epic trek to Florida with ponderous motor trucks—huge vans that daily lug mountains of goods and chattels to that bright Elysium of aggressive optimists. Nor do their feats lack for able reporters. One item tells the tale of a van that traveled the 1,300 miles between Cincinnati and Miami in "several days," laden with "five rooms of furniture," and "the performance was merely typical of hundreds throughout the country."

Southward ho! Argonauts, prospectors, adventurers, opportunists, eager and expectant, clutter the roads to the new El Dorado

picture the *New-Fashioned* ART METAL DESK in your office!



The Art Metal New-Fashioned Standard Flat Top Desk Style 3941.

THE new-fashioned desk that you picture is ready for your inspection at the Art Metal Store in your City. Make a special point to go in and see it — TODAY.

Picture *your* ideal desk—the desk that welcomes you in the morning—that puts you in a working mood *at once.*

...picture a desk with all those new refinements and innovations in fittings and accessories that you have always wanted and couldn't get—until now.

That is the new-fashioned Art Metal Steel Desk—newly designed especially for you. A practical—long-life, friendly desk that has working comfort built right into it. A desk built according to the high standard of Art Metal—acclaimed for more than 35 years by business men in every line of industry.

Beauty of line and finish—rugged strength—fire resistance—dust exclusion—you have them all in the new-fashioned Art Metal Steel Desk.

Further, the price is lower. Improved manufacturing methods and increased production bring the price down—at the same time giving you a finer and better and more convenient desk.

There's a new-fashioned Art Metal Steel Desk for every type of office work—from the de luxe executive suite to the most simple and inexpensive commercial type desk.



Send for the Art Metal Desk Catalog

It not only describes the complete Art Metal Desk line in detail, but offers invaluable guidance in selecting desk equipment to meet the individual needs of *your* office. A copy will gladly be furnished you on request.

Art Metal

STEEL Office Equipment, Safes and Files

ART METAL CONSTRUCTION CO., JAMESTOWN, N.Y.

You will see the figure of the Dutch Boy Painter on every keg of Dutch Boy white-lead. It guarantees a product of the highest quality. In addition to white-lead, there are also made under this trademark: red-lead, solder, babbitt metals, and flatting oil for use with white-lead in painting interiors.



What paint will you use this spring?

MANY house-owners today will answer that question by saying, "Paint made with Dutch Boy white-lead and pure linseed oil." Why should they prefer this paint?

Dutch Boy white-lead is pure white-lead, corroded from the metal, lead. It makes an all-lead paint which resists the attacks of the weather. It gives sure protection.

If your house needs paint, if it is beginning to look a bit weather-worn and shabby—cover it now with Dutch Boy white-lead paint. Thus you insure yourself against loss from decay. You increase the value of your property. A well-painted house brings a higher price than one that is paint-starved.

Dutch Boy white-lead paint is very reasonable in price. Only 100 pounds of Dutch Boy white-lead is required to make seven gallons of pure lead paint. The real economy, however, in using this paint begins after you buy it. Dutch Boy white-lead paint is durable under all kinds of weather. It does not crack or scale. It enables you to save the cost of repairs you would have to make sooner or later on unpainted and deteriorating property. It lengthens the period between repaintings. And each succeeding year the appearance and the condition of the house painted with white-lead make evident the superiority of a pure lead paint.

For first-hand information on Dutch Boy white-lead paint consult the most reliable painter in your neighborhood. He knows its qualities and its suitability for your particular job.

Write for new paint booklet

"Decorating the Home" is a new free booklet illustrated in color, which suggests decorative treatments for exteriors and interiors. It will be sent you if you write our nearest branch.

NATIONAL LEAD COMPANY

New York, 111 Broadway; Boston, 131 State Street; Buffalo, 116 Oak Street; Chicago, 900 West 18th Street; Cincinnati, 659 Freeman Avenue; Cleveland, 820 West Superior Avenue; St. Louis, 722 Chestnut Street; San Francisco, 485 California Street; Pittsburgh, National Lead and Oil Co. of Penna., 316 Fourth Avenue; Philadelphia, John T. Lewis & Bros. Co., 437 Chestnut Street.

Dutch Boy White-Lead

Makes an All-Lead Paint

When writing to NATIONAL LEAD COMPANY *please mention Nation's Business*

with motor vehicles of all sorts and conditions. Even ghosts of old "schooners" have been seen in the passing covered wagons—and for that matter, in passing covered flagons.

FROM the west comes a flash of light on the relation of insurance rates to the hazards of occupation, to wit: an Oregon measure of the protection bought by bootleggers in California. As reported from Salem the fees charged by one company are:

> Accidental death while in the line of duty, $10,000 policy, $10 per week; $5,000 policy, $7.50 per week; for time spent in jail, policies pay to the holder $5 a day, the liquor dealer paying $2 a week for this class. For protection at the rate of $10 a day while in jail the premium is $4 a week, or $3 a week for protection at the rate of $20 a day.

Premiums of from $2 to $15 a week are paid by "more than 1,200 men and 100 women." That there's many a slip 'twixt the flask and the hip, the figures suggest, yet the number of persons reported insured does accord more with the reclamation of a vast expanse of arid country than with strictly local irrigation projects. Are the great open spaces really so wide open?

SPRING drives of community planners and city beautiful committees might be whetted to a more purposeful edge with reading an appraisal of a modern street, printed in the *Saturday Review of Literature*, though, on the ever-present other hand, the judgment might seem utterly irrelevant and untrue. This evaluation reads:

> The jumbled ugliness of a modern street is a misuse of the potential harmonies of matter. It has probably as evil an effect on the human race as bad sanitation, though the proof is not so easy.

If any article of the charge is accepted as valid, the acceptance would seem to suggest that codes of esthetics are as desirable as codes of ethics.

AT ONE time or another during a year, the people of these states manage to surround 400,000,000 quarts of soft drinks. So said Eric Scudder, head of a Chicago beverage company, when addressing a convention of the New Jersey State Bottlers Association at Atlantic City. This appraisal of the liquid contents of the domestic stomach is only the half of it, for next year "we expect to double our business"—reason enough for doubting that the ultimate consumer must always be larger than the thing consumed. Or it may be that no fixed state of capacity business exists. Probably there is always room inside for more, as the overlords of the theaters have so forcefully demonstrated. In any case, the measure of expected business warns that though the bombardment of the Moslem Riff has ended, the gassing of the American Midriff has just begun—something new to report on the American front.

FROM the times when sweating slaves raised the lofty temple towers of Babylon, poets and prophets have had visions of mansions in the sky—visions translated time and again to a veritable substance in this ingenious age with completion of "the world's tallest building." Construction begun in New York now directs the superlative to a new attachment, for the plans of the 65-story Christian-Missionary Building put its height at 800 feet, 8 feet higher than the Woolworth Building. Included in the plans are spaces for a hotel, a bank, a hospital, and

a church—services to minister to flesh and to spirit, services that put the new building in the character of the ministers and temples of the ancients who managed the business of life close to the ground and set their places of worship on a higher plane.

This prodigious upward thrust of steel and stone is founded on a father's gratitude for his son's recovery from a severe illness, endured while studying to become a medical missionary. Ten per cent of the earnings of the new building, the father says, will be used to establish and maintain "a medical missionary base on the shores of Victoria Nyanza, an African lake that feeds the Nile."

Plainly this memorial is somewhat a matter of business, and its product of philanthropy is a considerable matter of soul. From these premises the conclusion is unmistakable, but the curse of business is that its judges rarely are well informed in the premises.

A BELATED commentary on the life of Miss Maud Muller was presented by G. E. Tripp, chairman of the Westinghouse Electric and Manufacturing Company, when discussing "Power on the Farm" before the Engineers Society of Western Pennsylvania at Pittsburgh. As most every one knows, Miss Muller, celebrated for her conspicuous ability to make hay while the sun shone, was unlucky at love. The judge who inspired her with visions of a happy marriage chose



another, with thought of his sisters "cold and proud," and poor Maud got a country lout for husband. For lack of a timely word or deed her chance of better things was lost, a fate memorably epitomized by Mr. Whittier when he wrote:

For of all sad words of tongue or pen,
The saddest are these: "It might have been!"

Mr. Tripp has now amended the record of this case with a plausible, though speculative paragraph, which reads:

While machinery is not a cure for laziness and incompetence, I imagine that Maud Muller's husband, dozing in a corner with his pipe and mug, would have been a much more energetic and efficient individual if he had owned a Ford car; and perhaps Maud herself, if she had possessed a radio receiving set and learned to dance the Charleston, might have developed energy and resourcefulness enough to have landed the judge.

So much for the penalty of living in a backward community. A good many things could be read into that paragraph, as, for illustration, that the modernized, single-family farm beyond the environs of cities and towns is one of America's greatest social assets.

A PRACTICAL and efficient mucking machine is now used for driving the Moffat tunnels through James Peak, near Denver, reports the eminent United Engineering Society of New York. The old-fashioned rake had its limitations, of course, and is no tool for the tremendous borings and prob-

COMPLETE ELEVATOR INCLOSURES AND CABS
UNI-TRE FRAMES
DAHLSTROM PATENT DOOR ARTISTIC EVERLASTING SANITARY FIREPROOF
ADJUSTABLE PARTITIONS
METAL DOORS AND TRIM
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STEVENS HOTEL, CHICAGO, ILLINOIS

Stair Halls, Fire Escapes, Service Corridors and important openings in Basement protection by Dahlstrom Metal Doors and Trim

TO THE hotel guest the clang of the bell and shriek of the fire siren bring feelings of apprehension which are only dispelled if there is an underlying feeling of security in the fire-safe qualities of the hotel in which he is staying.

To protect each and every room by means of Dahlstrom Metal Doors and Trim is the ideal. The next best arrangement is to use Dahlstrom door units in the more important locations such as stair halls, fire escapes, pipe shafts, etc.

More than six hundred Dahlstrom Metal doors will be installed in the Stevens Hotel.

We shall be pleased to furnish you with complete information upon request.

DAHLSTROM METALLIC DOOR COMPANY
INCORPORATED 1904
JAMESTOWN, NEW YORK

CHICAGO 19 So. LaSalle Street
NEW YORK 25 Broadway
DETROIT 1331 Dime Bank Bldg.

DAHLSTROM

When writing to Dahlstrom Metallic Door Company *please mention Nation's Business*

To Exporters and Importers

An increasing number of merchants and manufacturers, doing a foreign business, keep checking accounts abroad with The Equitable for the advantage of paying their bills directly by check.

Here are some of the benefits to be derived:

1. Saving a considerable sum in interest each year.
2. Eliminating the speculation involved in meeting obligations at future dates.
3. Establishing a strong European credit reference.
4. Better advertising your name among overseas business men and banks.
5. Assuring you or your representatives of special facilities and conveniences when in London or Paris.

The Equitable maintains two offices in London. The main office is in the heart of the financial district at 10 Moorgate, E. C. 2. The second office is in Bush House, near the shopping and hotel districts.

In Paris, The Equitable is one of the largest banks in that city. During the last two years, it has ranked from twelfth to fourth place in the Paris Clearing House reports.

You get from all our foreign offices complete banking service.



Exporters and Importers

There are important business advantages in paying your bills abroad by check.

Read the column at the left.

THE EQUITABLE TRUST COMPANY
OF NEW YORK
37 WALL STREET

UPTOWN OFFICE: *Madison Ave. at 45th St.*

IMPORTERS AND TRADERS OFFICE:
247 Broadway

DISTRICT REPRESENTATIVES
PHILADELPHIA: Packard Building
BALTIMORE: Calvert & Redwood Sts.
CHICAGO: 105 South La Salle St.
SAN FRANCISCO: 495 California St.

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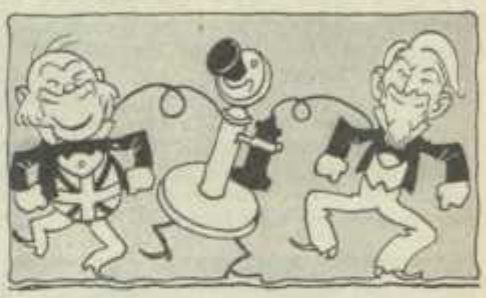
Total resources more than $450,000,000

ings of these times. By all means, if we must have muck, let's be progressive about it.

BECAUSE of the tremendous development of national advertising, and the increased facilities of communication and transportation, the structure of business in the United States is in a state of change "nothing short of a commercial revolution," says a statement of the National Industrial Board of New York—a timely comment that this year marks the fiftieth anniversary of telephone service.

From October, 1876, when the first outdoor trial of the telephone was made with a 2-mile line between Boston and Cambridge, the service of the Bell System had expanded in 1925 to 16,000,000 instruments, and 44,500,000 miles of wire—and equipment that accommodated a daily average of 46,000,000 calls, of which 2,400,000 were long-distance calls.

Not many business men probably remem-



ber the time "when a long-distance telephone call, made from a point only a few hundred miles away, was so fearsome an event that the actual talking was delegated to the employe with the most stentorian voice and iron nerves"—a vocal performance that put all business in a way of being a hand-to-mouth enterprise. More memories, likely, would turn up the telephone as one of the "marvels" of the Chicago world's fair in 1893, when "the idea of speaking to far places thrilled even the operators who had their part in such feats."

In 1882, Boston and Providence were connected; in 1884, the Boston-New York line was opened; in 1892, New York and Chicago were linked with lines. Long-distance lines reached Denver in 1911, across the continent to San Francisco in 1915, and to Havana in 1921.

The record shows that progress was steady and sustained. The wonders of the telephone do not cease, and the substance for marvel is still at hand, but a national consciousness that daily sees the unusual become the usual cannot be expected to acknowledge all the novelties that crowd upon it with more than a casual "Is that so?" For the vast number of new goods and services that continually are made available for use eventually exhaust the capacity for spontaneous amazement, and surprise is easily valved with perfunctory phrases.

So the telephone has come and is a friend in need, though at times it is a most peremptory servitor. Certainly it gives aid and comfort to the other revolutionary facilities cited as casual in the current transformation of business. Could the telephone engineers only contrive to tune out the harsh janglings in the national and international exchanges, praise of them would ring first in the ears of their countrymen. A good many earnest Americans are living in the hope that some day some one will be able to ring up "Millennium 1." —RAYMOND C. WILLOUGHBY.



The Graybar quality tag—under which 60,000 electrical products are shipped.

The light *in the* window

A BEACON in the night, a signal of safety and welcome! Home seems all the cozier where Sunbeam Mazda lamps shed their soft, clear light.

For Mazda lamps and everything electrical look to Graybar as the logical source of quality supplies for office, factory, store and home.

The tag above identifies more than 60,000 electrical products distributed the country over by Graybar Electric—successor to Western Electric Supply Department in name and in a half century's experience.

FOR American business men whose activities require the closest possible banking contact with the principal business districts in New York and Brooklyn—

THE BANK OF AMERICA

ESTABLISHED 1812
44 Wall Street
NEW YORK

Trust Department Organized 1888



OAKLAND is the logical place to locate your factory, warehouse or sales office.

It's at the center of population and transportation. It sits at the very gateway to the Orient.

There is abundant power and excellent labor. 122 new industries located here in 1925.

Accurate, confidential information may be quickly obtained through this bank.

THE OAKLAND BANK
12th & Broadway, Oakland, California

OAKLAND
is the place to start

"The Sunshine Belt to the Orient"



See the Orient

Every Saturday a magnificent President Liner departs from San Francisco for the Orient and Round the World. It calls at Honolulu, Japan, China, the Philippines, Malaya, Ceylon, India, Egypt, Italy, France, Boston, New York, Havana, Panama and Los Angeles.

On fortnightly schedules, President Liners sail from Boston and New York for the Orient and Round the World via Havana, Panama and California.

Large comfortable accommodations. A world-famous cuisine. Personal service.

Full information from any ticket agent or

604 Fifth Avenue, New York City
Robert Dollar Building, San Francisco, Calif.

DOLLAR
STEAMSHIP LINE

Sense *vs.* Dignity in Business

FOR a demonstration of real business sense, I should be inclined to award the palm to Grove Patterson, publisher of the *Toledo Blade*.

The thing he did was perhaps undignified. Thus, I believe, he proved his real caliber. It is always the small fellow of small vision who, for fear of being undignified, overlooks opportunity.

All newspapers have so-called *start* and *stop* orders from subscribers—notices that certain people are about to start or stop taking the paper. When the stops are too greatly in excess of starts, the circulation department wonders what is the matter, while blaming the editorial department for not getting out a better paper. Sometimes they send forth solicitors to try to induce former subscribers to keep on.

Grove Patterson determined to do something unheard of. Instead of sending a solicitor from the circulation department, when the paper lost a subscriber, he personally went to see what it was about the paper that the subscriber didn't like. Of course he didn't aim to call on every one, because circulation lists keep changing all the time, but for several weeks he called on a representative number. He particularly sought the kind of homes where plain, average people live—the kind of folk who naturally make up the bulk of a newspaper's circulation.

He began to knock on front doors and talk with housewives. His usual introduction was something like this:

"I'm Mr. Patterson, editor of the *Blade*. I notice that you have quit taking our paper. I'm not here to sell you anything. I just came to see why you don't like it. If you'll please tell me what you most like to read in a newspaper I'll try to print the kind of paper you want."

Imagine the editor and publisher of a big newspaper taking time to go to see a humble subscriber up a side street! Undignified, of course. The head of a business should sit at a big mahogany desk and send somebody else to go out and gain knowledge while he himself learns what is going on only by hearsay.

But because he wasn't stuck up and was unafraid of placing his dignity in jeopardy, Grove Patterson gained an amazing amount of information about his business.

After pleasantly chatting with several hundred people in their homes about what they like to read, he has found out not only what he went after but far more. He got a wonderful glimpse at what the average man or woman is really thinking about. What might have looked like an undignified enterprise almost rose to the dignity of scholarly sociological research.

The facts he gathered were somewhat shocking, too. What do you suppose is the most important thing in a newspaper to the average woman?

Death notices!

Average folk seem to have an insatiable desire to learn who have died. And if they find an obituary of an old acquaintance, the death list is just that much more interesting.

Next to death notices, women prefer to read advertisements.

"We haven't much money," was a frequent explanation, "and so I must look for chances to buy everything as cheaply as possible."

—FRED C. KELLY

Government Aids to Business

Reports of government tests, investigations and researches included in this department are available (for purchase or free distribution) only when a definite statement to that effect is made. When publications are obtainable, the title or serial number, the source, and the purchase price are included in the item.

Two Sections of Beet Report Now Available

Two Sections of the Tariff Commission's report on the "Costs of Producing Sugar Beets," the data for Michigan and for Ohio have been published and are now available.

When complete, the report will include information on the farmers' costs of producing sugar beets, during the years 1921, 1922 and 1923, in Nebraska, Colorado, Utah, Idaho, Wyoming, Montana, and California, and a separate section will include a summary of costs of production in the United States, with an analysis of the entire sugar beet industry.

Copies of either of the two sections now available, the sections on Michigan and Ohio, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 10 cents each.

The Broad Silk Industry and Tariff Duties

Broad Silk Manufacture and the tariff are considered in comprehensive detail by the Tariff Commission in a published report of 461 pages. The term "broad silk," the Commission explains, "is frequently used, particularly in England, to cover all woven fabrics composed wholly or in chief value of silk and measuring in width over 12 inches, which is taken as the dividing line between broad goods and ribbons. But in this report, as in trade circles in the United States, the term is restricted to broad goods of unpiled surfaces, so excludes plushes and velvets. In the tariff broad silks thus narrowly defined are designated 'woven fabrics in the piece, composed wholly or in chief value of silk, not specially provided for.' They are used for a great variety of purposes, particularly as dress goods, as linings, and as materials for shirts, ties, suits, underclothing, furniture coverings and draperies."

The report considers the growth of broad silk manufacture in the United States; the present state of the domestic industry; the types and grades of cloth produced in the United States and abroad, with the imports and exports of this country and of foreign countries; wages, costs, and prices at home and abroad; the history of the tariff on broad silks, the effects of tariff changes, and the advantages and disadvantages of various forms of duty.

Copies of this report, "Broad Silk Manufacture and the Tariff," are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 60 cents a copy.

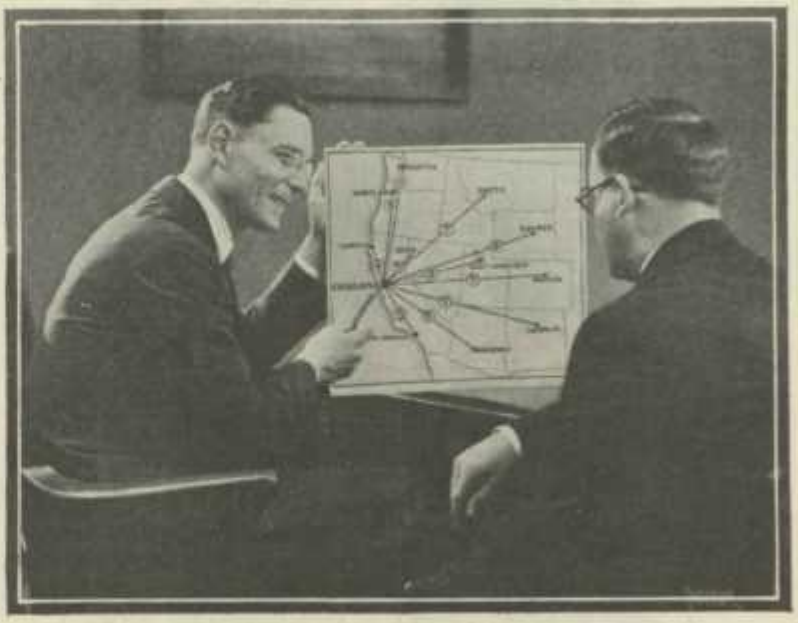
Savannah and Brunswick Now In Port Series

Port Series Report No. 10, on the ports of Savannah and Brunswick, Georgia, has been issued by the Board of Engineers for Rivers and Harbors of the War Department in cooperation with the United States Shipping Board. This volume, like others of the series, was prepared to meet the needs of the Government and to provide dependable information for the use of importers, exporters, manufacturers, and operators of railroad and steamship lines.

The information includes statistical statements with regard to port and harbor conditions; port customs and regulations; services and charges, fuel and supplies; facilities available to commerce and shipping, inclusive of piers, wharves, dry docks, ship repair plants,

OAKLAND [AND ALAMEDA COUNTY] CALIFORNIA

Advantages of the West's Fastest-growing Industrial District★—No. 6



"That shows the freight car days from Oakland

to the principal distributing centers of the western states, Jim. Direct rail shipments from a plant here, over three main line railroads, gives your competitors quite a decided advantage in serving your trade.

"You have a mighty nice little factory up in New England and are strong on quality and price—F.O.B. factory, but, old man, a plant here will reduce freight shipments, in car days, by four days to Denver, by six days to Seattle, by eight days to Salt Lake, by ten days to Portland, and by twelve days to Los Angeles.

"Now let me talk F.O.B. factory. Mr. Jobber or Mr. Merchant pays the freight. On the first class rate, per hundred, the consignee saves from 49½ cents per hundred, at Denver, to $5.55 at Eureka.

"For the twelve centers shown on this map, the average saving in freight car days is 9.2 days and the average saving in freight charges, $2.992.

"Oh, no, I haven't become a traffic shark since I came out here. Much of our competition comes from right up in your country and, believe me, my salesmen carry small copies of this map and tabulations of the differential freight charges all over the western territory. The quicker delivery and the annual saving in freight charges has tipped many a nice jobbing order our way.

"What are we doing to add to our natural advantages? Let me show you something."



(To be continued in the May issue.)

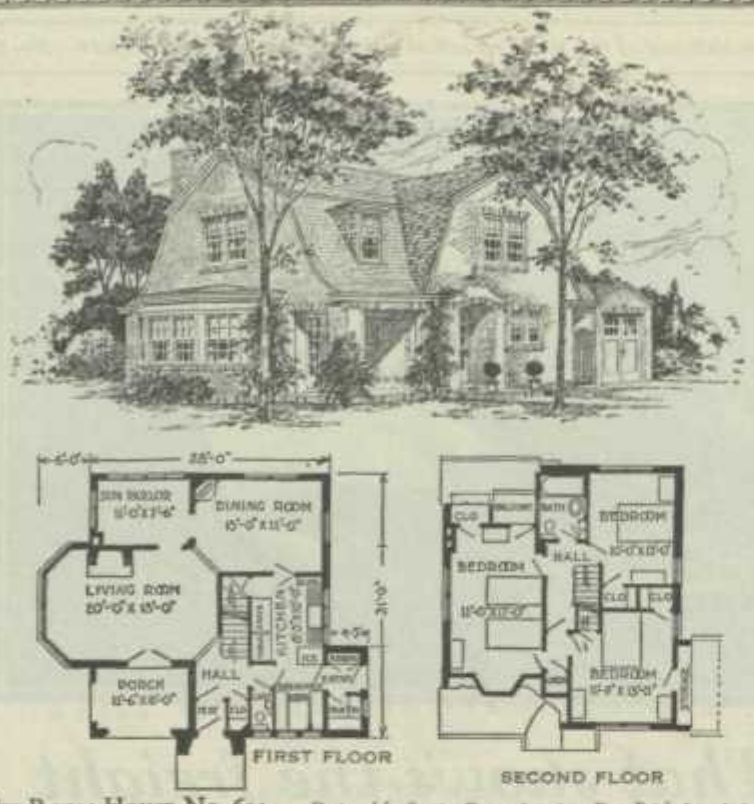
A detailed industrial survey of Oakland will be mailed on request to any interested industry.

Write Industrial Department, Chamber of Commerce

OAKLAND · CALIFORNIA

"INDUSTRIAL CAPITAL OF THE WEST"

★This district includes the principal cities of Alameda County—Oakland, Berkeley, Alameda, Emeryville, San Leandro, Hayward, Newark, Niles—and is being advertised co-operatively by the Oakland Chamber of Commerce and the Alameda County Board of Supervisors.



SIX-ROOM HOUSE NO. 633 *Designed for Service Dept., American Face Brick Association*

This is one of the 120 houses, embracing a wide variety of architectural styles and interior arrangements, shown in our "Face Brick Bungalow and Small House Plans."

The Economies of the Face Brick House

THE beauty and charm of the Face Brick house have always excited the admiration of home lovers. But it was not until the public learned about its many economies that Face Brick won its present popularity. Today most home-builders know that slow depreciation, a minimum of upkeep and repairs, painting only around doors and windows, low insurance rates and smaller fuel bills soon wipe out the slight additional cost of the Face Brick house and, in the long run, make it the most economical to own. The facts are fully presented in "The Story of Brick." Sent free.

Send for these booklets:

"The Story of Brick" is an attractive booklet with beautiful illustrations of modern homes, and discusses such matters as Comparative Costs, Basic Requirements in Building, The Extravagance of Cheapness, and kindred subjects. Sent free.

"Face Brick Bungalows and Small House Plans" embrace 120 designs of Face Brick bungalows and small houses. These houses are unusual and distinctive in design, economical to build, and convenient in floor plan. Issued in four booklets, showing 5 to 8-room houses, 5-room houses, 6-room houses, and 7 to 8-room houses. The entire set for one dollar; any one of the books, 25 cents. We can supply complete working drawings at nominal prices.

"The Home of Beauty" contains 50 designs of two-story six-room Face Brick houses, representing a wide variety of architectural styles and interior arrangements, selected from 350 designs submitted in a nation-wide Architectural Competition. Sent for 50 cents. Complete working drawings for these houses at nominal cost.

"The Home Fires," a most attractive fireplace book, with many designs, gives full directions for fireplace construction. Sent for 25 cents.

Address, American Face Brick Association, 1730 Peoples Life Building, Chicago, Ill.

coal and oil bunkering, storage warehouses, bulk freight accommodation, floating equipment, wrecking and salvage equipment, railroad and steamship lines, and their charges and practices in connection with terminal services.

Copies of this report are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 75 cents each.

A similar report on Charleston and Wilmington, No. 9 of the Port Series, is obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 50 cents a copy.

Refinery Census Shows Tendency to Centralize

A SURVEY OF PETROLEUM REFINERIES, made by the Bureau of Mines, Department of Commerce, shows a total of 509 refineries in the United States on January 1, 1926. Of these, 352 refineries, with a combined capacity for treating 2,560,000 barrels daily, were being operated, and 157 refineries with a total capacity of 290,000 barrels daily, were shut down. In addition, 2 refineries, of probable aggregate future capacity of 5,000 barrels per day, were under construction.

A similar survey made by the Bureau of Mines as of January 1, 1925, showed a total of 541 completed petroleum refineries, with a total daily refining capacity of 2,827,000 barrels, and 44 refineries, with a total capacity of 37,000 barrels per day, under construction. On January 1, 1921, there were 415 completed refineries, with a total capacity of 1,889,000 barrels, and 44 refineries, with a total capacity of 77,000 barrels, under construction.

Of the total number of completed plants, 289, with a capacity of 830,000 barrels, are skimming plants making gasoline, kerosene, and gas and fuel oils. The greater part of the remaining capacity is that of complete plants, the relative percentage of which is steadily increasing. Approximately 150 plants have "cracking" equipment, the total charging capacity of which is probably in excess of 900,000 barrels a day.

Comparison of this census with those made by the Bureau of Mines in previous years discloses the trend of the refining industry toward centralization and its adjustment to economic changes. The growth of small skimming plants is out of line with the present keen competition in the refining industry, the bureau believes, explaining that such plants exist today by reason of the local advantages or discoveries of flush production in fields remote from pipe lines. As those conditions are gradually disappearing, the Bureau thinks it probable that the peak in the number of refineries in the United States has been passed.

The results of this census are given in a "Directory of Petroleum Refineries in the United States, January 1, 1926." Copies are obtainable from the Bureau of Mines, Department of Commerce, Washington, D. C.

Bad Packing Costs Nation Millions a Year

FIFTY MILLION DOLLARS annually is entered on the debit side of the economic ledger of the United States through the disregard of simple rules in wrapping and packing merchandise for domestic shipping, according to a report on paper-wrapped packages made by the advisory board of the Department of Commerce on domestic packing.

This waste represents a huge deduction from the goods and services that might be enjoyed, the board believes, as it must necessarily be absorbed by increased rates for transportation and insurance. That this loss is not alone the outgrowth of commercial transactions is indicated by the large losses resulting from defective packages originating in the household.

In general, the board finds that no special technique is required to protect a package against damage in transit. Strong, tough paper that will not crack when folded, and that can



Your profits grow by rail

Suppose you could reduce a stock of goods you carry from $375,000 to $75,000 and still do as much business—

Suppose you could operate your business on $400,000 less capital—

Suppose you could cut in half the number of hours your shipments are on the road—

—You'd see a difference in your profits, wouldn't you?

These are examples of what certain businesses did last year because of the increased efficiency of the railroads.

Manufacturers, jobbers, retailers all have profited because during the last three years from 25 to 40 per cent has been saved in freight transit time. Inventories have been kept at rock bottom; more orders have been handled; sales have been speeded up; rush deliveries made satisfactorily.

The story of 51,000,000 car loadings handled by the railroads in 1925 is a record one, but it doesn't tell everything. Every day other thousands of freight cars were ready in reserve—to lubricate traffic and facilitate all lines of business.

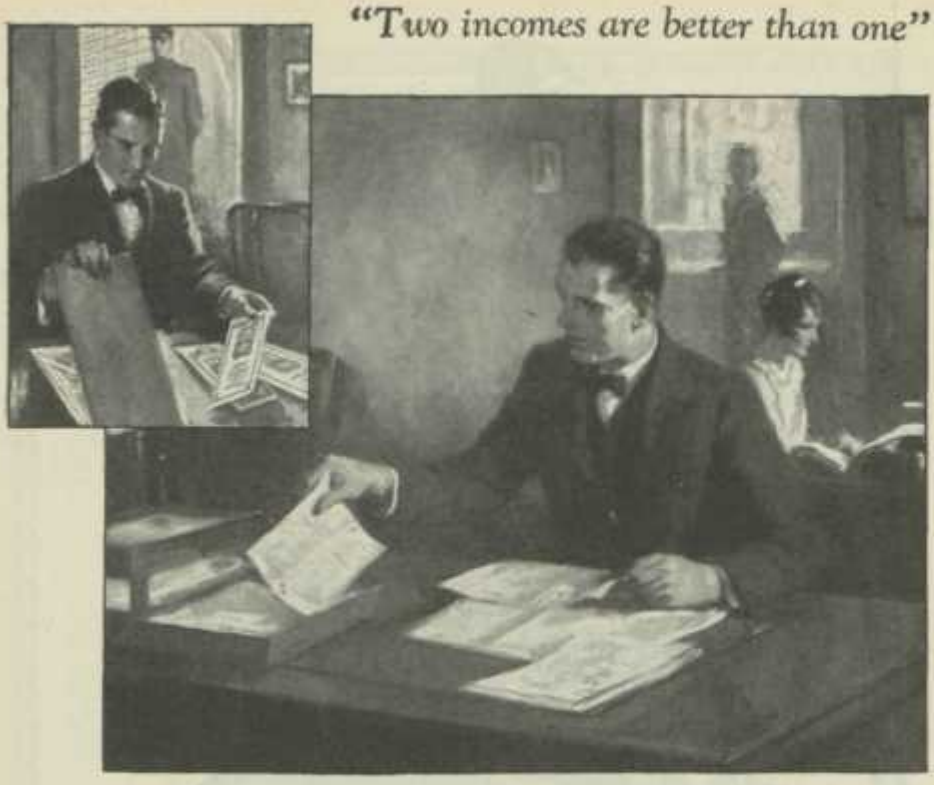
WESTINGHOUSE ELECTRIC & MANUFACTURING COMPANY
Offices in All Principal Cities · Representatives Everywhere
Localized Service—Men, Parts, Shops

Westinghouse

© 1926, W. E. & M. Co.

Electrification of railroads, in which Westinghouse takes a leading part, has been an important factor in speeding transportation, especially in congested and mountain areas where a free flow of traffic is most essential.

"Two incomes are better than one"



ONE *from Salary—*
ONE *from Bonds*

SALARIES are not always sure nor earning powers permanent—that's why so many forward-looking workers set aside part of their incomes regularly for bond investment. Money thus invested will produce a *second* income, an income free from most uncertainties.

Our offices in more than fifty leading cities are ready to help you plan an investment program, making sound recommendations which will fit your own personal needs.

The National City Company

National City Bank Building, New York

BONDS · ACCEPTANCES SHORT TERM NOTES

BRANCH OFFICE SPACE
IN ROCHESTER

Executives planning the opening of a branch office in Rochester should consider the new, fireproof Temple Building, recently opened. Fourteen stories, five fast elevators, 24-hour service. In the heart of the retail district. Rentals unusually low. Write for literature.

C. W. CAMPBELL, Business Manager
401 Temple Building, Rochester, N. Y.

EGYPTIAN CIGARETTES
ORIGINAL QUALITY

Exclusively *Made for* Real Connoisseurs.

One Dollar will bring samples of Double Value all kinds, sizes, tips, monograms, crests, blends, prices, for selection of your future supply.
"DOUMAN"- (*Importers.*) San Francisco • U.S.A.
486 Bryant Street

O. C. BENSINGER CO.
17 Whitehall Street
CABLE CODES
"BENTLEY COMPLETE PHRASE CODE"
ASK FOR IMPORTANT CODE CIRCULAR NO. 300
BENSINGER—PHONE—BOWL. 0246

SPECIAL OFFER @ $37.80 Postage Prepaid

A. B. C. 5th Ed., with 5 letters	$20.00
BENTLEY COMPLETE PHRASE CODE, de Luxe Edition	8.60
A. B. C. 6th Ed., 5 letters	16.00
COMMERCIAL TELEGRAPH-CABLE CODE	15.00

For 4 Best guaranteed copies

BENSINGER-CODES

withstand contact with other containers in the shipment without being torn is recommended by the board. Securely knotted twine of a strength commensurate with the weight of the package to be wrapped is believed sufficient for all ordinary purposes.

The complete report includes instructions for wrapping packages with paper for parcel post and express shipments. Copies may be had upon application to the Superintendent of Documents, Government Printing Office, Washington, D. C., or to any district office of the Bureau of Foreign and Domestic Commerce. The price is 5 cents a copy. Lots of 1,000 are sold for $20. The price is $10 for each subsequent 1,000 mailed out with the original order.

Engineers Increase Output of Lump Coal

As a Result of various factors affecting the production of lump coal, the percentage of lump obtained in a typical coal mine in western Pennsylvania by investigators of the Bureau of Mines, Department of Commerce and the Carnegie Institute of Technology was increased from 56.5 to 65 per cent in wide face workings. This increase of 8.5 per cent in lump coal production was achieved by changes in the explosives used, and in the blasting practices.

The results of this series of tests are given in Bulletin 19, "Coal Mining Investigations," copies of which may be obtained from the Carnegie Institute of Technology, Pittsburgh, Pennsylvania, at $1 each.

New Reports Added to the Trade Series

A Considerable Number of reports have been added by the Department of Commerce to its Trade Information Series. These reports include:

No. 368. The Lead Industry—I. North America, South America, and Oceania.
No. 369. Butter and Cheese Markets in the West Indies.
No. 370. Instalment Sales in Foreign Law—I. British Empire and Latin America.
No. 371. The Lead Industry—II. Europe, Asia, and Africa.
No. 372. Fertilizers—Some New Factors in Domestic Production and Trade.
No. 373. International Trade in 1924.
No. 374. European Markets for Furniture.
No. 375. Protesting Drafts in the United Kingdom, Irish Free State and Canada.
No. 376. Instalment Sales in Foreign Law—II. Continental Europe, North Africa, and Asia.
No. 377. Trading with Malaysia.
No. 378. Forest Resources of Siberia.
No. 379. Selling in Brazil.
No. 380. The Mexican Market for United States Foodstuffs.
No. 381. Travel Routes and Costs in South America.

The reports listed are obtainable from the Bureau of Foreign and Domestic Commerce, Washington, D. C., or any of its branch offices, at 10 cents a copy.

The Leasing of Departments in Retail Stores

A Report on "Department Leasing in Retail Stores" has been issued by the Department of Commerce. In this report is discussed the practice of leasing sections in department stores to outside organizations, a practice that is growing, the report says, especially in medium-sized department stores in cities of 50,000 to 100,000, comparatively large stores in smaller cities, and in specialty shops. Included is a consideration of the advantages and disadvantages of the practice. Sample copies of license agreements are submitted.

Copies of this report are obtainable free of charge from the Department of Commerce, Washington, D. C. The supply is limited.

State Power Plans Cause Concern

IN FEBRUARY, NATION'S BUSINESS carried an account of the proposed "Giant Power" scheme of Governor Pinchot of Pennsylvania. *Electrical World*, in a current issue, records that "Giant Power" has passed into the limbo of forgotten things. This journal feels that whatever of good was contained in the Governor's proposal will not be lost but will find a way into practice, for "the electric public utilities are, if anything, sanely progressive and aggressive. Anything that makes for economy of production will in the ordinary course of events be adopted. The Governor of Pennsylvania may thus rest assured that, notwithstanding the fate of his pet measures, whatever of promise or merit they contained will not die with the bills themselves, but will soon be disassociated from the realm of theory and applied to the confronting conditions."

Calls Empire Project Menace

ENGINEERING NEWS-RECORD sees the campaign of Governor Smith for state control of public power in New York as a greater menace to the principle of private ownership than was the case in Pennsylvania or California. This journal believes that the people of New York State will support the Governor. It asks what brought about the change in public sentiment toward public ownership or control, and suggests that the answer is to be found in the growth of private control. To quote:

"Whether or not the privately operated plant can be run more economically and without the potential political subservience of public ownership, they are not particularly concerned. They are looking for some way to meet the growing danger of unified and unregulated private control of what is more and more realized to be of great, though frequently exaggerated, importance in the life of the people, the generation and distribution of electrical energy.

"The writing is on the wall. Will the public utility interests interpret it? This is not a question of fighting the small municipally owned power plant with its obvious deficiencies that go with isolated production and ignorant political control. This is something that promises to grow beyond the mere generation of a few hundred thousand horsepower in the border waters of New York State, where conditions are most favorable to government-owned power. It has the signs of the beginning of a long-time national movement which may lead to a revision of national policy, and a revision which it is not pleasant to contemplate. The railroads of the eighties had their Interstate Commerce Act; the trusts of the nineteen hundreds had their Sherman and Clayton Acts; the utilities of the nineteen twenties may profit by their example."

Progressive Labor World takes a somewhat unusual view of private ownership when it arises to champion it in preference to government power control, as follows:

"Lord Rothermere, powerful Britisher, just returned home from America, says: 'The economic welfare of the United States is based on its progresaive policies in electrical power.'

"Private initiative has made power cheaper in Philadelphia, Chicago and other cities than power costs to the Britisher.

"America has become great because private enterprise gets a full and free field.

"Premier Baldwin points out to his fellow citizens the methods by which electrical energy is generated and distributed cheaply on a large scale in America, where private enterprise is encouraged rather than forced to grapple with pseudo-political economists.

"Labor in Pennsylvania has a right to look with alarmed eyes on the hectic proposals of the Giant Power enthusiasts.

"Therefore we think Governor Pinchot is sort of in a political and economic and legislative ditch.

"Giant Power means pygmy payrolls."

This WAS OK- 20 years ago ~



The coming of the Multipost at once made the old method of stamping mail wasteful.

The New Superior
MULTIPOST
STAMP AFFIXER and RECORDER

saves time, labor and stamps, because in *one* operation it releases, moistens, cuts off, affixes, and *records* each stamp used.

It keeps stamps locked in one safe place, makes accurate accounting for them possible, and so protects them against loss, spoilage, and misuse.

It provides a clean, orderly system of handling stamps, *paid for by its own economies.*

Prove it in your own office. Ask for free trial. Use the coupon below.



The Multipost Co.
Rochester, New York

THE MULTIPOST CO., Dept. B-4, Rochester, N. Y.
I have checked below what I would like to have you do for me.
☐ Send New Superior Multipost on free trial. ☐ Send Catalog.
Individual .....
(Kindly give name to insure correspondence reaching right party)
Firm Name .....
Street .....
City ..... State .....



Industry Adopts BINKS

Discards "Slow-motion" Methods

The snail-like, slow-motion Production Methods of a generation ago would now be looked upon with amusement or contempt.

The slow-speed, hand-controlled machines which first superseded hand labor were a great step in advance. But an equally enormous stride forward has since been made in the development of automatic high-speed machinery.

In the application of paints, varnishes, lacquers, and enamels to manufactured products, just as great strides have been made. Spray methods, even in their crude form, increase the productive capacity of a man to that of six men painting with brushes.

Sponsored by ***Binks,*** immense strides have been made in the development and refinement of painting and finishing methods. And today ***Binks*** Spraying Methods are as far ahead of ordinary paint sprayers as the modern high-speed machine is ahead of the first labor-saving machine.

In factory maintenance, too, ***Binks*** Portable Spraying Outfits have caused a startling revolution, making surroundings lighter, more cheerful and sanitary by the rapid and better application of lacquers and flat wall paints by the spray process.

Write for Bulletin K, tell us what kind of finishing you are interested in and our engineers will furnish valuable information.

BINKS SPRAY EQUIPMENT COMPANY
3124 Carroll Ave. Chicago, Ill.



News of Organized Business

AN EFFECTIVE double-page advertisement in a newspaper of Benton Harbor, Michigan, was used by the chamber of that city to answer the question, "What Does the Chamber Do?" This question made the title line of the display, which included the subtitle, "Here's a Fraction of the Answer in Pictures." Copies of this advertisement may be obtained from the secretary of the Benton Harbor Chamber.

High School Business Clubs

METHODS of organizing high school clubs interested in the affairs of business are considered in a statement issued by the Civic Development Department of the Chamber of Commerce of the United States of America. Of the selection of titles the statement says:



> The use of the title Junior Chamber of Commerce for such high school organizations has led to considerable confusion especially in cities where there is a real junior chamber, namely an organization composed of business men between the ages of 18 and 27 or 30. Because of this it is a distinct advantage to give the boys' organizations a distinctive title, such as, Business or Commercial Club, reserving the title Junior Chamber of Commerce for organizations composed of young men and women who are in active business life.

Copies of this statement are obtainable from the Civic Development Department, Chamber of Commerce of the United States, Washington, D. C.

Canada to Have Board of Trade

A CANADIAN Board of Trade, similar in structure and purposes to the Chamber of Commerce of the United States of America, is to be organized by reason of a decision of representative Canadian business men, who met at Winnipeg to consider industrial and commercial problems of the Dominion. The need for scientific research in agriculture and industry was emphasized at the meeting, and the Dominion government was urged to establish national research laboratories. Considerations of trade relations with the British Empire and the United States developed agreement on the need for reciprocal trade arrangements.

Canada has some problems common to the United States, others quite different. She needs more people. Immigration dropped from 402,000 in 1913 to 75,000 in 1923, and this shrinkage was enhanced by a serious exodus of Canadians to the United States. Among other plans adopted to remedy this situation is the recent arrangement between the Canadian and British governments to subsidize British agricultural immigrants. This plan enables the immigrant to travel from Great Britain to western Canada for $30 and also provides government supervision during his first five years in Canada. This scheme follows the plan recommended by the Board of Trade conference at Winnipeg.

Canadians want lower taxation and more business in government. The conference suggested that Canadian taxes, particularly income taxes be made as low, if not lower, than those levied in the United States. It also recommended the appointment of a commission similar to the Dawes commission to reduce wasteful governmental expenditure. Canada, with a population less than that of the cities of New York, Chicago and San Francisco, has one federal government, nine provincial governments and hundreds of municipal governments. Canadian business men say they have too much government, and the new Canadian Board of Trade will tackle this problem.

Taxation of publicly owned utilities, many of which are now practically tax free and in deadly competition with heavily taxed privately owned utilities, is another problem. Public opinion is swinging in favor of putting publicly owned utilities on the same basis, in the matter of taxation, as privately owned organizations.

Canada has a fuel problem. She possesses 16 per cent of the world's coal reserves, including 50 per cent of the coal resources of the British Empire, and yet millions of dollars are spent by the Canadians for coal from the United States. The Canadian Board of Trade will encourage the use of Canadian coal.

The conference was unanimous in stating that Canada's great needs were men and money. The tide of immigration is turning again towards Canada. United States and British investors have invested five billion dollars in Canada during the past twenty-five years, and the United States continues to put money into Canadian enterprises in increasing volume. Approximately 1,000 branch factories of United States firms are now operating in Canada. What will happen when Canada's 240,000,000 acres of idle arable land are producing?

In forming the Dominion Board of Trade, business men are preparing for what they believe will be the greatest era of industrial progress in the history of the country.

A. E. PARKER.

Southern Secretaries to Meet

THE ANNUAL meeting of the Southern Commercial Secretaries Association will be held at the New Willard Hotel, Washington, D. C., May 13, 14, and 15. For reservations, secretaries should write directly to the hotel.

Sports, Names of Cities, Orchestras

THREE reports prepared by the Civic Development Department of the Chamber of Commerce of the United States of America in response to specific requests are now available to secretaries of local chambers. These reports include:



(1) Organizing Winter Sports Activities, which is an outline of the experience of American cities in organizing winter sports activities for promotion of health and recreation and attraction of visitors; (2) Origin and Changes of Names of American Cities, showing how cities got their names and the reasons for name changes; (3) The Movement for Symphony Orchestras in American Cities, which traces the development of privately financed symphony orchestras in American cities, and describes the methods of financing.

Use of Full-time, Paid Solicitors

AN INFORMATIVE appraisal of the results obtained from soliciting subscriptions with full-time, paid solicitors is presented in a communication from the secretary of the Chamber at Seattle, who is the head of the Membership and Finance Department and his assistant, both salaried staff men, spend their time entirely in calling on firms for renewal of subscriptions at the time the pledges expire, as well as calling on prospective members and getting their support for the chamber. The secretary writes:

> The plan does away with the necessity of

When writing to BINKS SPRAY EQUIPMENT COMPANY *please mention Nation's Business*

"Open door" profits

Successes that might not have happened if the advertiser had told The Chicago Tribune man "not interested"

A MANUFACTURER of oil burners, against severe competition, gained 175% in sales volume and 414% in dealer outlets within eight months because he listened to a Tribune advertising salesman who presented a plan of merchandising and advertising oil burners.

Within a year a maker of roofing increased an old established business 57%. A Tribune man had given him an idea.

In the fifty-second year of business a manufacturer of stoves and ranges added 77% more sales and 43% more dealers in The Chicago Territory. He adopted a plan proposed by a Tribune salesman.

These are but three typical examples of successes that started when a Chicago Tribune man sent in his card. If the manufacturer had sent out word that he was "Not interested," or "Too busy," or "In conference,"or "Out,"these stories of increased sales and profits never would have been written.

There are many other cases in which the experience and advice of Tribune men have brought unexpected expansion and prosperity to advertisers. One manufacturer found that cutthroat competition was ruining his greatest potential market. A Tribune man submitted an analysis that led to clearing up the distressing situation.

Still another company did not realize that its advertising costs had soared to exorbitant heights in certain localities. A Tribune man discovered the waste and showed how to stop it.

Again, a product was almost unknown in its field. A Tribune man pointed the way that led to world leadership within a year.

When your office boy or secretary announces "A Chicago Tribune man to see you," you may be sure he brings a constructive idea for building your business. Else he would not call.

If he merely had a pleasant aptitude for quoting rates and comparing circulations he would not have reached the national advertising department of The Chicago Tribune. His position is a diploma signifying that he has made good selling classified advertising, has graduated from retail store advertising, has spent months in making surveys, and has succeeded in the merchandising department.

His contact with scores of business problems and the wealth of authentic information which his experience and training have brought him, make the suggestions he has concerning your sales and advertising worth your time.

When The Chicago Tribune man calls, open your door and your mind. If your sales campaign is in the making, a Chicago Tribune man has a plan of proven ability to produce greater results at a lower cost. Your call will bring him quickly.

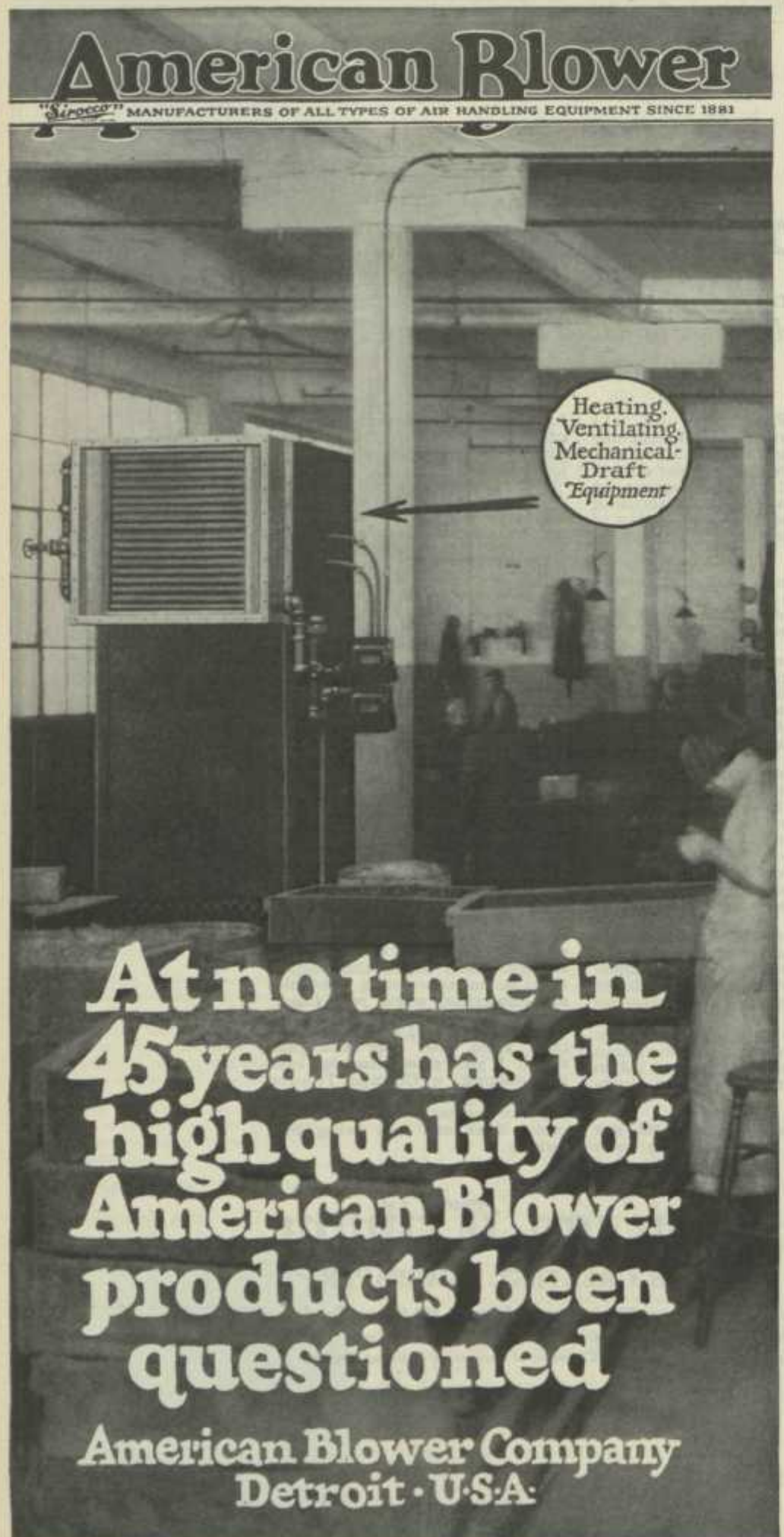
The Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

Circulation Over 700,000 on Week-days and Over 1,100,000 on Sunday

Address Eastern Advertising Offices, 512 Fifth Ave., New York

New England Advertising Office, 718 Chamber of Commerce Building, Boston



Photograph shows one of the units in a typical industrial installation of the American Blower Venturafin Method of Heating

budget drives; it is more comprehensive in that our representatives have definite information on the amount that the prospect has contributed to the community chest and various other civic activities during the year upon which may be determined the amount he can afford to subscribe to the chamber's budget. It also eliminates the possibility of missing many good prospects who are passed over under the former plan.

Every subscriber is given a pledge that he will not be solicited by the chamber during the time his subscription runs for funds to carry on any activities which should be carried on by the chamber. He is also urged to call the chamber before contributing to any solicitation proposition. Our Budget Department has been able to prove to many subscribers that they have thrown away on unmeritorious propositions more money in the course of the year than they have contributed to the chamber.

Cincinnati's Spring Style Show

SPRING and summer styles in women's apparel were displayed in Cincinnati during the market week and spring fashion show presented under the auspices of the Wholesale Trade Department of the Cincinnati Chamber.



In addition to the style exhibitions by forty models, the program included vocal and instrumental music and a sketch, "Why Sales Fail," written by Howard S. Greene, manager of the Wholesale Trade Department. Tickets for the events, staged in the roof garden of the Hotel Gibson, were distributed by manufacturers and wholesalers participating in the show.

Business Men Wait on Farmers

WHEN the Civic and Commerce Association of Eau Claire, Wisconsin, gave a dinner for farmers of the county, business men, "dressed for the occasion," were the waiters, thus "breaking down the formality which would have otherwise existed." The dinner was included in the program of an "institute," arranged in cooperation with the county agricultural agent in order to encourage the growing of alfalfa and sweet clover. During the "institute," talks were made by farmers and by university experts.

Agencies for Industrial Growth

ABOUT one hundred cities of more than 10,000 population have some form of civic or semi-civic agency to stimulate industrial growth, says the National Association of Real Estate Boards, Chicago, in announcing that it will analyze the methods used by those cities, so that other cities may have the benefit of their experience. When the analysis is completed, the Association will be able to give the real estate board of any city a synopsis of the plans best applicable to its needs. George C. Smith of Baltimore will have charge of the study.

Toledo Seeks More Industries

A STATEMENT made by the Industrial Development Committee of the Toledo Chamber, now campaigning for more industries, provides a timely commentary on the methods used. The statement reads:

> Frequently members of the organization hear of plants that are considering the establishment of branches or of locating in another city. The members of this committee will appreciate any information along this line that will enable them to develop a prospect list and interest these companies in To-

ledo. . . . In its efforts to locate new factories, the committee has frequently been referred to firms of industrial engineers. This profession has developed rapidly within the past few years. Factories are no longer located through sentiment, but on the advice of experts who thoroughly survey a number of cities and compare them to select one best suited for their clients. Several of these engineering experts have been in Toledo recently and conferred with the Chamber of Commerce. In most instances their inquiries are confidential. . . . Toledans who are buying from factories that intimate possibilities of establishing branches or warehouses here will be conferring a favor upon the committee and acting for the welfare of the city if they supply leads on which the committee may work to secure more industries. Prospects are accorded every courtesy and inquiries are treated confidentially. The same courtesy and confidential treatment will be given to those prospects which members may suggest to the committee.

Meadville Interested in Granges

TO PROMOTE a spirit of cooperation among business men and farmers of Crawford County, Pennsylvania, the chamber at Meadville is holding a series of meetings with the granges. The secretary of the chamber writes, "In all my experience I know of no activity which has seemed to be as productive of good results as this campaign. We hope to conduct it until every grange, forty-four in number, has been visited."

Joint Trade Relations Committee

UNTIL adequate machinery for settling disputes between buyers and sellers and effective means for correcting those at fault have been created, trade abuses must be expected to continue, says a statement of the National Chamber's Domestic Distribution Department. The Department explains that:



> The beneficial results to business may be imagined if the time and money spent by parties in attempting to secure unfair advantages against one another were devoted to cooperative thought and effort to improve trade relations, each element in industry recognizing that it can best further its own prosperity by helping to build the prosperity of the businesses with which it deals.

Probably all intelligent business men recognize that manufacturer, wholesaler and retailer can best profit by cultivating each other's acquaintance and good will.

As at present contemplated, the Joint Trade Relations Committee to be appointed by the chamber will be composed of one influential member of each trade, precisely as Theodore F. Whitmarsh might be regarded as the representative of the grocery trade, or Robert R. Ellis of the drug trade. Each of the members of this committee would be the key man in developing in his particular trade a joint trade relations committee which would include 3 manufacturers, 3 wholesalers, and 3 retailers.

It is intended that this will be done through trade associations; but it must be remembered that trade associations usually consist of only manufacturers, or only wholesalers, or only retailers, whereas the violations of commercial ethics in the vast majority of instances take place in the dealings between manufacturers and wholesalers, or between wholesalers and retailers.

Ultimately it may be possible, and probably will be possible, to organize a great



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RADIOGRAMS *go direct to:*
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and the DUTCH
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Germany, with a large part of its population engaged in non-agricultural pursuits, imports more than $100,000,000 worth of grain every year.

American grain exporters need a speedy communication service to retain their share of the German grain trade. Radiograms—*the only direct* communication service to Germany—are a prompt, accurate means of transacting business.

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19 West 44th Street.....Murray Hill 4996
264 Fifth Avenue, Madison Square 6780

SAN FRANCISCO, 28 Geary Street, Garfield 4200
WASHINGTON, D. C., 1112 Connecticut Avenue, Main 7400
HONOLULU, T. H., 923 Fort Street

CHICAGO.....10 So. La Salle Street
BOSTON.....109 Congress Street
NEW ORLEANS.....New Orleans Bank Bldg.
BALTIMORE.....Gay & Pratt Streets
NORFOLK, VA.....220 Brewer Street
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CLEVELAND.....1590 St. Clair Ave.
SEATTLE.....512 Maritime Bldg.
GALVESTON.....2830 Avenue D
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— Tells Where To Buy

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The executive who buys or specifies is frequently in doubt as to available sources of supply. Loyalty to his city and interest in its prosperity naturally directs his thought to the local market. His City Directory, "the Community Catalog," enables him to make an intelligent selection.

In the Classified Business Section, under the heading that fits his need, the buyer finds a complete list of sources for the commodity or service desired. The more enterprising concerns are emphasized in prominent type with a reference to their advertisements in the Buyers' Guide Section. These advertisements give detailed information which crystalizes the desire into action at the point of purchase.

This trade mark appears in directories of leading publishers.

Is your business properly registered? Progressive executives recognize the value of business insurance and the determining influence exerted by proper City Directory representation. Our booklet, *Directories, What They Are, How They Function and Their Place in Advertising,* will tell you how. Send for free copy.

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May 10, 11, 12, 13

MONDAY TUESDAY WEDNESDAY THURSDAY

THE FOURTEENTH ANNUAL MEETING
Chamber of Commerce *of the* United States
WASHINGTON, D. C.

Discussion of Live Business Subjects
An Opportunity for Making Unusual Business Contacts
Also—Recreation

Advertising space in the Extra Edition of NATION'S BUSINESS (the extra number which we publish annually and which carries the principal addresses and abstracts of group session discussions) is being reserved now.
Address the Chamber of Commerce of the United States, Washington.

clearing house with perhaps a central board of conciliation and arbitration for the consideration of general ethical questions and for the settlement of disputes which are not due to controversies relating to only one trade.

The purposes of joint trade relations committees, as outlined by the Domestic Distribution Department, are:

To act as a clearing house for charges of trade abuse, and to assist in the elimination of unethical practices.

To stimulate the development of codes and methods of settling disputes within trades where they do not already exist.

Ultimately to aid in bringing about greater coordination between production and distribution.

Vote on Resale Price Referendum

LEGISLATION by Congress permitting maintenance of resale prices does not have the support of the Chamber of Commerce of the United States. This is the conclusion reached through a referendum vote among business organizations in the membership of the chamber. The result of the balloting, announced at the headquarters of the chamber in Washington, makes clear the chamber's position over which there had been some controversy since a referendum on the same general subject in 1916.

The vote was close. On four of the five questions submitted a majority voted in favor of the principle of price-maintenance, but under the by-laws of the organization a two-thirds vote is required for commitment.

The questions submitted and the vote on each follow:

1. Should there be federal legislation permitting the seller of identified merchandise sold under competitive conditions under a distinguishing name, trade-mark or brand to control the resale price thereof?

In favor, 1,073; opposed, 912½; necessary to carry, 1,324.

2. If there is to be such legislation, should it take the form of permitting contracts for the maintenance of resale prices on identified merchandise sold under competitive conditions under a distinguishing name, trade-mark or brand?

In favor, 1,120½; opposed, 576; necessary to carry, 1,131.

3. If there is to be such legislation, would restrictions proposed by a special committee, and included in the referendum pamphlet, be proper restrictions?

In favor, 1,052½; opposed, 565; necessary to carry, 1,079.

4. In addition to such legislation should Congress enact legislation bringing under the law of unfair competition the cutting of the seller's declared price which results in misappropriating or injuring good will attaching to articles identified as to their origin?

In favor, 866; opposed, 768½; necessary to carry, 1,089.

5. Instead of such legislation, should Congress enact legislation bringing under the law of unfair competition the cutting of the seller's declared price which results in misappropriating or injuring good will attached to articles identified as to their origin?

In favor, 224½; opposed, 1,246; necessary to carry, 980.

Questionnaires and Central Pool

IN RESPONSE to requests from several secretaries for information about cooperative industrial education in public schools, the Civic Development Department of the Chamber of Commerce of the United States of America is trying to obtain the desired information by questionnaire.

The issuance of this questionnaire gives the Department occasion to explain that "the National Chamber has just recently been urged by the Board of Directors of the National Association of Commercial Organization Secretaries to place more emphasis upon its logical function of serving as a central pool of ex-

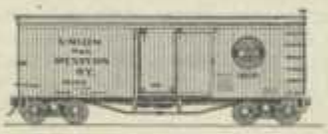
To Crate Users Weyerhaeuser now introduces "Cut to Size" Crating Lumber

ON top of the savings they have already effected for the industrial men of America, Weyerhaeuser now comes forward with a still further contribution toward economies in crating and transportation costs.

Briefly, it is this:—

To the manufacturer who has standardized, or who can standardize, his crates, Weyerhaeuser is prepared to furnish Crating Lumber *Cut to Size*.

This Weyerhaeuser *Cut to Size* Crating Lumber is of standard kind and grade as specified for the individual crates. It is cut to the required length, width and thickness for each individual crate and is shipped in bundles ready to assemble.



A Carload of Lumber is about 25,000 Board Feet. Buy your Crating Lumber from Weyerhaeuser Cut to Size.
All good crating pieces.
No waste.
No dead freight loss.
No labor cost for cutting up in your shipping room.

Weyerhaeuser *Cut to Size* Crating Lumber is prepared only at the Weyerhaeuser Mills. It can be supplied only in carload lots. And each car contains all the pieces needed to make a specified number of standard crates.

There will always be some manufacturers and shippers who will find it necessary to buy their crating lumber in bulk and do the cutting up in their own establishments, and to these Weyerhaeuser offers a dependable supply of *ideal, light weight* woods in grades best suited to their purpose.

But the man who can and will follow the Weyerhaeuser Crating Service every step of the way, including this new *Cut to Size* offering — may expect *Eight Specific Savings* (and maybe Nine) as enumerated in the right hand column.

It is worth thinking about. We invite your correspondence.

Savings

Saving No. 1
No freight on waste. You pay freight only on the finished pieces, the waste that develops in the cutting up process is disposed of at the source.

Saving No. 2
Lower lumber costs per crate. Weyerhaeuser Cut to Size Crating Lumber is cut at Weyerhaeuser owned mills. Therefore, a Weyerhaeuser Cut to Size Crate is strictly a "one profit" crate.

Saving No. 3
Lower labor cost per crate. Weyerhaeuser *Cut to Size* Crating lumber is worked up by men who specialize in doing this one thing for hundreds of customers. In most cases, therefore, they can do it better and cheaper than the individual customer can do it for himself.

Saving No. 4
Lower overhead cost because it cuts the "no profit" operations of a shipping room to a minimum. It releases valuable space for *profit making*.

Saving No. 5
Less weight per crate. Weyerhaeuser crating lumber is ideal for crating purposes—strong, easy-working, non-splitting but also light in weight and that saves freight cost on your shipments.

Saving No. 6
Less lumber per crate. Weyerhaeuser Crating Engineers know how to build *efficient* crates with a minimum of lumber—often 10% to 30% less lumber than many shippers formerly used. And that saves again on shipping weight.

Saving No. 7
Fewer adjustments and claims for damaged shipments, because a Weyerhaeuser designed crate is not only stronger but specifically better protection for the merchandise packed in it.

Saving No. 8
The good will value of an efficient, good appearing package.

Saving No. 9
Many times, a Weyerhaeuser designed crate has given the shipper the advantage of a more favorable freight classification and that means a lower freight rate.

WEYERHAEUSER FOREST PRODUCTS
SAINT PAUL · MINNESOTA

Produces for industry of pattern and flask lumber, factory grades for remanufacturing, lumber for boxing and crating, structural timbers for industrial building. And each of these items in the species and type of wood best suited for the purpose.

Also producers of Idaho Red Cedar poles for telephone and electric transmission lines.

Weyerhaeuser Forest Products are distributed through the established trade channels by the Weyerhaeuser Sales Company, Spokane, Washington, with branch offices at 208 So. La Salle St., Chicago; 220 Broadway, New York; Lexington Bldg., Baltimore; and 806 Plymouth Bldg., Minneapolis; and with representatives throughout the country.

Constructive Auditing

An independent audit is to be regarded always as the means to valuable advice from the auditor or auditing firm.

Too often, auditing service ends with the report of the financial condition of (name) as of (date).

Auditors should be equipped—and should be employed—to offer recommendations in connection with method, policies, financing, etc.; to furnish comparative statistics intelligently prepared; to point out how mistakes and waste may be eliminated, and pitfalls avoided.

Of course, *every audit should be a Detailed Audit*. But whether it be *Detailed, Semi-Detailed* or *Balance Sheet*, it can, *and should be made to*, serve as the basis not only of the financial report, but also of constructive help.

With the business man's appreciative understanding of this help, and the cooperation of progressive Public Accountants, Auditing becomes *Constructive* and offers its greatest value.

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BOSTON	COLUMBUS	PITTSBURGH	ST. LOUIS	TAMPA
PROVIDENCE	YOUNGSTOWN	WHEELING	KANSAS CITY	DALLAS
PHILADELPHIA	AKRON	ERIE	OMAHA	HOUSTON
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WASHINGTON	DAYTON	MILWAUKEE	SAN FRANCISCO	SAN ANTONIO
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Stackers—Tiering Machines — Portable or Stationary

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We are equipped to make audits and prepare accurate and exhaustive reports for Companies, Firms, and individuals proposing to invest in Canadian enterprises or to extend their activities to this country.

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perience and information for local chamber of commerce secretaries . . . we do not want to corner the questionnaire market, but we do want to serve the secretaries of this country in every possible way, including relieving them of as much work as may be possible in this important matter of pooling information and experience."

St. Louis Gives Course in Exporting

THROUGH the cooperation of several municipal and private organizations, headed by the World Trade Club of St. Louis, a series of talks, "the equivalent of a short practical course in export trade," has been arranged for presentation at the Tuesday luncheon meetings in the chamber building, beginning January 26 and ending June 1.

Included in the topics for discussion are: Making the preliminary market survey; the procedure in handling the order; from giving the quotation, through packing and shipping, to making the collection; how to grant foreign credits safely; export trade and sources of information; and strategy in export merchandising.

F. Ernest Cramer, chairman of the Foreign Trade Bureau of the St. Louis Chamber, who is active in the work of the World Trade Club, explains that, with the development of the barge line between St. Louis and New Orleans, "export trade has grown rapidly, not only in such markets as Cuba and Mexico, which are buying St. Louis-made goods at the rate of over two million dollars a month, but also in the more distant markets of the Far East, Australasia, and Europe."

Farmers Dine With Business Men

FARMERS from each of Ohio's eighty-eight counties were the guests of Columbus business men at a dinner arranged by the Columbus Chamber as a feature of a joint meeting of farmers and business men held during the annual Farmers' Week observance of the Ohio Farm Bureau. More than 250 business men attended the dinner, and each invited one of the visiting farmers to be his guest and sit with him at the dinner. No speeches were made, but "numerous acts" were presented "worthy of the best that professional vaudeville has to offer."

The meeting was important because "it brought farmers and business men of Ohio together on common ground, where they learned that each was human and that the problems of one were in principle the problems of the other," and because it established a precedent to which "local groups of farmers and merchants in the various counties can point as an aid in holding similar meetings throughout the state, and in promoting a closer feeling and better understanding between them."

Coming Business Conventions

(from information available February 15)

Chamber of Commerce of the United States, Washington, D. C., May 11, 12, and 13.

Date	City	Organization
5.....	New York....	Association of Marine Underwriters of the United States.
14-15....	St. Louis.....	National Warm Air Heating and Ventilating Association.
19-20....	Dallas.....	Certified Milk Producers Association of America.
20-23....	Philadelphia..	Retail Delivery Association of the National Retail Dry Goods Association.
23-23....	Tulsa.....	Association of Natural Gasoline Manufacturers.
28-30....	Charleston, S. C.	National Foreign Trade Council.
30.....	New York....	Glass Container Association of America.

Other organizations with conventions scheduled for April, but for which the dates were not available, included: Associated Leather Goods Manufacturers of the United States, Association of Scientific Apparatus Makers of the U. S. A., Institute of Margarine Manufacturers, National Council of American Importers and Traders, National Slag Association, Southern Wholesale Dry Goods Association, United Metal Trades Association of the Pacific Coast, Wholesale Stationers Association of the U. S. A.

Reviews of Recent Business Books

Foundry Cost Accounting, by Robert E. Belt. Penton Publishing Company, Cleveland, 1926.

A new edition of a valuable treatise on the subject of cost accounting for the several more important branches of the foundry industry, including the gray iron foundry, the malleable iron foundry, and the steel castings foundry. The justification for a book on the subject is set forth by the author as follows:

"Many excellent books have been written on the subject of cost accounting; and while principles have been set forth more or less clearly and may be said to be of general application, yet the cost accountant with limited experience ordinarily has difficulty in applying them to a particular industry. There are many industries that are peculiarly different where it is difficult and sometimes impracticable to apply the conventional cost-accounting principles and procedure."

Of particular interest to organized industry is the author's statement, "In the manufacture of castings, uniform cost-finding methods, or fundamental principles of cost accounting can be satisfactorily followed by all foundries. . . . An examination of the cost-accounting systems of different foundries where no attempt has been made to adopt uniform methods, shows that a variety of widely different methods is used to ascertain the cost of producing castings. . . . The result is extremely wide differences in costs which are not true differences, but differences to a very large extent due to variation in methods of ascertaining costs. It is a condition that is adverse to sound trade relations and to the best interests and welfare of the industry."

"Foundry Cost Accounting" goes into the matter of technique in detail and should prove to be a very useful text for the foundry industry.

Factory Organization and Administration, by Hugo Diemer. McGraw-Hill Book Company, Inc., New York, 1925.

The fourth edition of a very complete work, intended primarily for officers and employes of manufacturing corporations, but of value also to engineering students.

The author starts out with the financing, organization and control, location, etc., of the factory, and treats in detail the functions of each department and methods employed by the concern. Twelve pages are devoted to "Time Taking," and twelve and one-half to "Departmental Reports."

The book, it would seem, covers every possible detail for the organization, management and operation of a factory.

The Language of Advertising, by J. B. Opdyke. Isaac Pitman & Sons, 2 West 45th Street, N. Y. $3.50.

This book is worth a great deal to any business or professional man, whether he looks at living as an amusing or a serious affair. The first chapter alone, on "Reading to Live," is a worth-while 30 minutes, and contains at its end a summary of twelve possible rules for reading.

"No man knows his business who does not know a vast deal in addition and seemingly foreign to his business," says Mr. Opdyke.

In illustrating the value of imagery he gives the following incident:

From the deck of a coastwise steamer a boy of eight saw the masts of a wrecked ship some distance out at sea. "O look," he called to his father, "the ship is drowned!" He was undergoing a panic of emotion, and the expression of his imagination was delicious. But the prosaic father was in haste to correct the child: "No, no, you must say 'the ship is sunk.' Men are drowned." This correction made the child very serious for a moment. Presently as the steamer



Leaders in Our Highway Commerce

Longer mileage and greater cushioning are built into Firestone Truck and Bus Pneumatics by Gum-Dipping — the exclusive Firestone process that insulates and impregnates every strand of every cord with rubber—minimizing destructive friction and heat and keeps these big tires cool on long runs.

To hold these tires on the rims and steady the swaying load on the turns, Firestone provides a special taper toe bead and flap that makes easier driving and more comfortable riding at full speed.

Firestone Truck and Bus Specialists are factory trained to study the proper tires your truck should run on—weigh your loads and see that your tires are properly serviced. See the nearest Firestone Truck Tire Service Dealer to maintain schedules at lowest cost per mile.

MOST MILES PER DOLLAR

Firestone

TRUCK AND BUS PNEUMATICS

AMERICANS SHOULD PRODUCE THEIR OWN RUBBER . H.S. Firestone



Perhaps you'd like to send your friend this COUPON:

To the UNITED STATES CHAMBER OF COMMERCE
WASHINGTON, D. C.

Kindly enter the name of the undersigned to receive thirty-six numbers of NATION'S BUSINESS, one each month, and, in addition *at no extra charge*, one copy each year of the official transcrip containing the addresses delivered by important business and government leaders at the annual U. S. Chamber of Commerce Convention in Washington, together with, on request, an annual index of the contents of the preceding year's numbers. I enclose remittance for $7.50, which pays in full including postage for the above.

Name..... *Date*.....

Address.....

City..... *State*.....

3-26

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True Economy

THERE are few jobs of printing direct-mail matter and sales literature for which the use of a Cantine coated paper is not good business, and a sound economy.

If that job you are working on right now is worth art work, fine engraving and carefully written copy, it is also worth being made as impressive as possible. A Cantine *coated* paper will enable the printer to achieve this end.

The *effectiveness* of your printed matter, more than its price, determines its real cost to you. Book of sample Cantine papers and name of nearest jobber will be sent on request. Address: The Martin Cantine Company, Dept. 332, Saugerties, N. Y. Since 1888, manufacturers of fine coated papers exclusively.

Cantine's COATED PAPERS

CANFOLD ASHOKAN ESOPUS VELVETONE LITHO CIS



THE TORO

THE Toro "Park Special" is a thirty-inch, hand-guided power mower for use on large lawns and around country homes. Efficient and dependable—with a cutting capacity of 5 to 7 acres a day, it will do the work of seven men using hand mowers. You can now have well-kept lawns at small cost.

Over one thousand Country Clubs use TORO Machinery in maintaining perfect playing conditions for golfers. Ask the Greens-keeper at your own Club what he thinks of TORO Equipment.

Illustrated catalogue will be sent on request.

The TORO Manufacturing Co.

3042-3146 Snelling Ave., Minneapolis, Minn.

neared the shore, many cows were to be seen standing in the water up to their bodies. "Look there," cried the boy, this time feeling surer of himself as the result of parental instruction, "the cows are sunk!" The father was obviously at a loss this time. The best—or the worst—he could do was to grab his offspring by the hand and lead him down the companionway.

So read that you can enter into broad sympathy with a ship that is "drowned," a cow that is "sunk," an automobile that is "fractious," a house that is an "invalid," or a bird whose "hangar" has been robbed. That's the author's idea.

The remainder of the book is devoted to the "how" of the task of writing advertising copy dramatically, and is styled in as sprightly a way as the foregoing extract.

Perhaps the author is overly enthusiastic at times, particularly when he reproduces a perfervid and strained "Copyman's Credo" used as a guide by one advertising agency, but enthusiasm contagious enough to be conveyed through the coldness of print is rare enough that it should be gratefully accepted.

Graphic Methods for Presenting Business Statistics, by John R. Riggleman. McGraw-Hill Book Company, Inc., New York, 1926. $2.50.

A contribution to the standardization of business charting, by an Assistant Professor of Economics at the University of California. It is written in clear and understandable language, for the business man or student, and is adequately illustrated with examples of correct and incorrect statistical charts.

Analyzing Financial Statements, by Stephen Gilman. The Ronald Press Company, New York, 1925.

Designed to teach business men other than credit experts what to look for in financial statements.

Accounting Systems, by George E. Bennett. A. W. Shaw Company, Chicago and New York, 1926.

A text book of methods of installing accounting systems, with chapters devoted to specific businesses, running from summer hotels to co-operative milk production. The author teaches accounting at Syracuse University.

Cases on Federal Taxation, by Joseph Henry Beale and Roswell Magill. Prentice-Hall, Inc., New York, 1926. $6.

Illustrative cases chiefly from the United States Supreme Court, supplemented by extracts from the regulations of the Treasury Department. The authors are professors of law, one at Harvard, the other at Columbia, in both of which institutions the case system of teaching is favored.

Breaking Through Competition, by Ray Giles. D. Appleton and Company, New York, 1926.

Gossipy and entertaining. An advertising man talks of the various methods of finding new markets for arousing new interest in products.

Does a low-priced competitor ruin the market for a higher-priced, better product? What does color do to stimulate buying? How can we take advantage of buying habits?

These and like questions are well handled.

Current Economic Problems, by Walton H. Hamilton, University of Chicago Press, Chicago, 1925.

A thousand pages of selections from authors as varied as St. Jerome, Rousseau, Macaulay and "Mr. Dooley." As wide as the list of authors is the list of subjects, ranging from the first principles of economics to the new theories of the business cycle and railroad regulation. Ourselves, we re-read Mr. Dooley on the tariff before we put the book aside.

When writing to THE MARTIN CANTINE COMPANY *and* THE TORO MANUFACTURING CO. *please mention Nation's Business*

Grinding and Agriculture



THE side-hill farm with its horse drawn plow and its man power has ceased to be of importance in the agricultural industry. Power machinery with its great capabilities now tills the soil.

In the production of agricultural implements the modern grinding wheel and precision grinding machine make possible comparatively low costs because of high and uniform production with accuracy.

The tractor rolling its way across the great grain fields, as well as the plows and harrows, the reapers and mowers that work with almost human skill, are machines that grinding makes perfect in operation. Practically every farming implement is now produced with the aid of the grinding wheel.

This is but one of the great industries of the world that have made marked advances as a result of the discovery and development of electric furnace abrasives. The abrasive "Alundum" is now used in grinding and polishing in the metal working plants of the world. It is making floor materials slip-proof and safe to walk on. It is serving the chemist and power plant engineer in the form of laboratory ware and refractories.

NORTON PRODUCTS

Grinding Wheels - Refractories
Grinding Machines - Floors

Norton Company
Worcester, Mass.

New York Chicago Detroit Philadelphia Pittsburgh

Bauxite Plant: Bauxite, Arkansas
Abrasive Plants: Niagara Falls, N.Y., and Chippawa, Ont.
Grinding Wheel Plants: Worcester, Mass.; Hamilton, Ont.; La Courneuve, France; Wesseling, Germany

Associated Gas and Electric System

Founded in 1852

Keeping Abreast of the Industry

Only a few years ago electricity was used principally for lighting. Today only one-fifth of the electricity produced is used for lighting and more than half is used for power.

Industries of all types in the United States increase about 4% a year. The electric light and power industry has increased approximately 10% each year during the last 20 years.

From 1920 to 1924, inclusive, the electrical output of the United States as a whole increased 34%. During the same period, however, the electrical output of the Associated Gas and Electric System increased 45%, or approximately one-third more rapidly than the industry as a whole.

This growth indicates the well established desirable utility territories in twelve leading eastern states served by the Associated System and reflects the successful manner in which the management has been able to supply the electrical needs of the communities served.

We invite inquiry regarding opportunities for expanding your business by locating in territories served by properties of the

Associated Gas and Electric Company

For information concerning Associated facilities and securities, write to its subsidiary

Associated Gas and Electric Securities Co.

Incorporated

61 Broadway New York

Perhaps you'd like to send your friend this COUPON:

To the UNITED STATES CHAMBER OF COMMERCE, Washington, D. C.

I'd like to examine your official publication, "NATION'S BUSINESS," so you may send it to me on trial. If I decide I want it after reading the first number you send, I'll mail you $7.50 for the three year term-enrollment. If I decide I don't want it, I'll merely notify you then to cancel the enrollment and there will be no charge.

Name.....

Address.....

City.....

State.....

Date.....

4-26

It offers him the examination privilege

The Mayflower

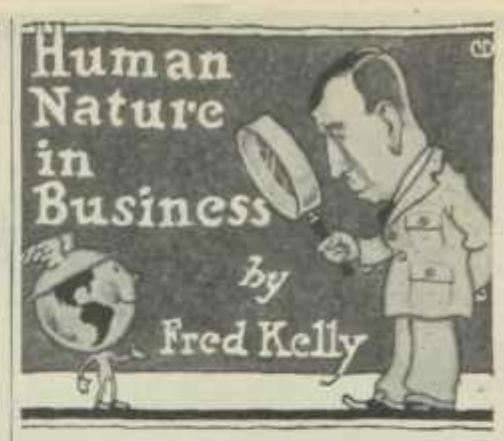


Washington's Palatial New Hotel

Home of Leaders in Statecraft, Diplomacy, Finance and Industry

Business and professional men will find here the acme of luxury and comfort, at rates no higher than at less finely appointed hotels.

Four Short Blocks from U. S. Chamber of Commerce on Connecticut Avenue Seventeenth and De Sales Streets



I NOTICED in a restaurant recently that all the waitresses—eight or ten—had natural red hair. The young woman cashier, too, had tresses that suggested a copper kettle. I asked the proprietor if he had purposely sought red-haired employes but he said that it had just happened.

As I walked out of the place I marvelled that the proprietor should have missed such a chance to make his place the most-talked-of restaurant in town.

Why doesn't he call it the Red-head Restaurant and give a ten per cent discount to all red-headed customers?

Those golden heads could bring a golden stream to his door.

And what a gay looking place it would be!

MISS MARION A. BILLS, of the Life Insurance Sales Research Bureau, Hartford, Conn., recently conducted an investigation to learn what kind of people are most likely to remain in clerical jobs. She discovered that it depends to a surprising degree on what occupation one's father followed. If the clerical worker is bettering himself socially by sticking to that kind of a job—that is, if being a clerical worker seems to him better than his family has been used to—then he is inclined to remain at such work. But if his clerical job is a demotion, compared with what might be expected of one in his family, then he is likely to leave his job at the first opportunity.

Miss Bills goes on to say:

"A boy entering the clerical field from the family of an unskilled laborer feels, as he looks forward to possible promotion some day to section or division head at $3,000 a year, that the future is promising. On the other hand, a boy from the family of a salesman or a manager of a small business, does not look upon such a prospect as being very bright. It may be that neither one of the 'socially higher' occupations actually yields more than $3,000 a year; but both lead to a wider viewpoint of the possibilities of making money than is afforded in a laborer's home. The salesman sees men who make large earnings in sales occupations, which he considers practically the same as his own; and the merchant running a small business of his own looks forward to the career of a Wanamaker as his ultimate goal. Their ideas are passed along to their children."

A FRIEND of mine spent the summer in Michigan and got interested in a farm that he could have bought at a low price. This winter he decided to buy it but learned to his dismay that the price had nearly tripled. The explanation is that land in that locality is being picked up by people who believe they need the tonic of real winter weather. Further investigation showed that

a definite propaganda is afoot to sell people property in the northern climate because of the theory advanced in books by Madison Grant and others that the Nordic type is a superior being but needs cold weather part of each year to be at his best. Of course there is no scientific proof, or at least none that is generally accepted by leading anthropologists, that the Nordic or any other type is superior to all others. But if real estate boomers are going to jump from Florida to Michigan and are going to employ books by scholarly writers as an aid to their plans, I rise to inquire: What next?

THE present habit prominent business men have of taking a winter vacation in Florida gives promise of working a new kind of hardship on those not able to go.

"You can't see anybody during the winter months, because they've gone to Florida," a traveling salesman told me. "I went from New York to Detroit to call on the heads of several important enterprises but my trip was futile. All the men I wished to see were in Miami."

I IMAGINE that the great majority of persons who lose money in worthless stocks are women. Women are evidently more inclined to gamble than men. Perhaps one reason is that they lack man's opportunities to make money along ordinary business lines. At any rate, I have a mass of proof right before me that women far exceed men in the gambling instinct. I recently wrote an article for a widely circulated magazine about the stock market. In consequence I have had hundreds of letters from people asking me how they may invest small sums and make large fortunes. More than nine out of ten of the letters are from women.

I NOTICE that expensive new hotels throughout the country now fall into two main classes—hotels that are as gorgeous as a king's palace or as severely plain as a peasant's cottage. Prices charged in the two kinds are about the same. But the atmosphere of the peasant cottage type seems to be just a wee bit more haughty. The proprietors must feel that they are catering to a class of people who have definitely achieved that degree of status which permits them to be somewhat simple in their surroundings and look down upon mock grandeur.

A FAMOUS economist used his knowledge of business conditions during the last year or two to invest his money shrewdly and make an amazing amount of money out of stocks and bonds. Now he has gone to Germany to do the same thing over again. He believes that Germany presents the same opportunity that was afforded in the United States two years ago.

AN ENGINEER was telling me about a building so strong that it is weak. That is, the steel frame work is so strong and rigid that it will not sway but can only vibrate, crystallize and finally break.

"You know," this engineer added, "business men are sometimes the same way, so set and inflexible in their opinions that they can't adjust themselves or sway with conditions. They are so rigid that they finally break."

WHEN the first visible typewriter was placed on the market, a rival concern, instead of setting to work to make a visible machine of its own, put all its effort on trying to convince the public that it didn't



AMERICA'S TRADE CURRENTS

FROM San Francisco, New Orleans, Boston, Chicago—from every commercial center of importance in the United States and in the world—currents of trade flow to and from and through New York.

In this commerce, the interests of the banker and the merchant or producer are inseparable and interdependent. Let business suffer and banking feels the effect; when trade prospers both banker and customer profit thereby.

The Irving-Columbia's Out-of-Town Office is a contribution to the promotion of commerce. This Office, in the Woolworth Building, New York City, is a banking unit devoted to facilitating the business interests of customers in the United States outside of New York.

Its officers, by maintaining close personal contact with all parts of the country, keep constantly informed on business conditions in various sections, and thus are able to give each transaction that quality of understanding so important to the customer's interest.

Possessing in its own organization every banking, investment and trust service, the Out-of-Town Office, for all customer purposes, is a complete bank in itself. And it offers to customers all the facilities, world-wide connections and total resources of our entire institution.

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DISCLOSED BY A QUESTIONNAIRE

The utility of appraisal service is much wider than is commonly supposed.

In December, 1925, in response to a questionnaire, 2920 of our clients advised us of the uses they were making of their American Appraisals.

1198 for Accounting Purposes—381 for Fire Loss Adjustment—675 for Adjusting Federal Tax Matters—1922 for Placing Insurance—580 for Finance—269 for Sale of Property—184 for Merger—105 for Purchase of Property—255 for Reorganization—70 for Inheritance Tax—191 for State Income Tax—200 for Local Tax—41 for Rate Making—24 for Condemnation Proceedings—24 for Litigation—256 for Miscellaneous Purposes.

As will be noted, many of the 2900 concerns used the appraisal for two or more purposes.

The manifold uses of American Appraisal Service are concisely but completely discussed in our booklets No. 930-A "Appraisal an Essential to Good Management" and No. 884-A "The Property Owners' Hand Book."

We will be pleased to mail copies of these booklets on request.

The American Appraisal Co.

HOME OFFICE, MILWAUKEE

PUBLIC UTILITIES · INDUSTRIALS · REAL ESTATE PROPERTIES · NATURAL RESOURCES

A NATIONAL ORGANIZATION

When writing to The American Appraisal Co. *please mention Nation's Business*

want visible writing, but the same old clumsy machine it had long been using.

Likewise, when the automobile world first took up four-wheel brakes, one company spent thousands of dollars in advertising against these new, improved brakes. Of course the only effect of this was for the company to brand itself as behind the times and to lose much business that season. Nothing is ever so futile in business as to try to hold back the tides. If a man fails to make progress, he may at least avoid spending money to make his shortcomings conspicuous by advertising them.

"HOW much more do you sell in consequence of having telephone booths in your store to attract people?" I asked the proprietor of a corner drug store.

"Very little," he replied. "And our share of the revenue from the phones doesn't pay for the floor space the booths require. Nevertheless we have to have these phone booths. Because people have come to regard phones in drug stores as an inalienable right. If they don't find them they feel mad at the store and may not deal there."

"BEWARE," said my druggist friend, "of starting a store in a section filled with flashy apartment houses near homes occupied by old families having social standing. The apartments are likely to be filled with young folks willing to pay too much for being in that location and consequently living beyond their means."

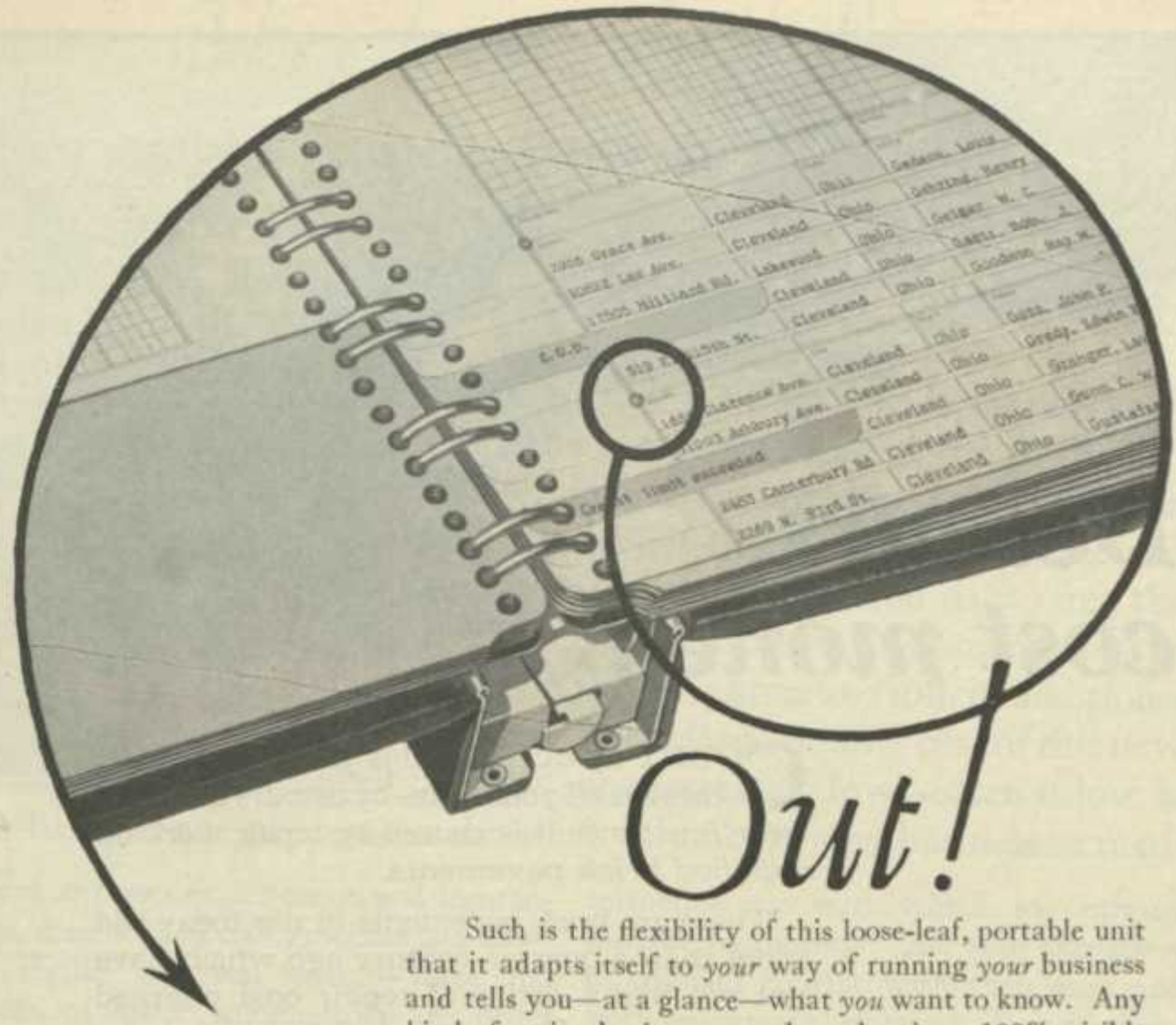
AN OLD MAN who collects weekly payments for an instalment furniture house tells me that he doesn't dare be ten minutes late at certain homes. "They save a dollar or two for me until about the time I usually come," he says, "and then if I don't show up, they spend it for something else."

WHICH reminds me that a big store recently took back a cookstove from a woman who had failed to meet weekly payments. The next day she appeared to demand the return of a pie she had left in the oven. She was good-natured and agreed to give a cut of pie to each of several workmen who grinningly asked for a taste. The proprietor heard this, decided the woman was a good sort, and sent the stove back to her.

A FRIEND of mine about to go abroad to be gone two or three years did a lot of juggling of investments just before starting away. "I don't want to own any common stocks," he told me, "in companies that have no research laboratories. They might get too out of date and let newer ideas make valueless the goods in which they deal."



Pittsburgh steel mill. A woodcut by Herbert Pullinger



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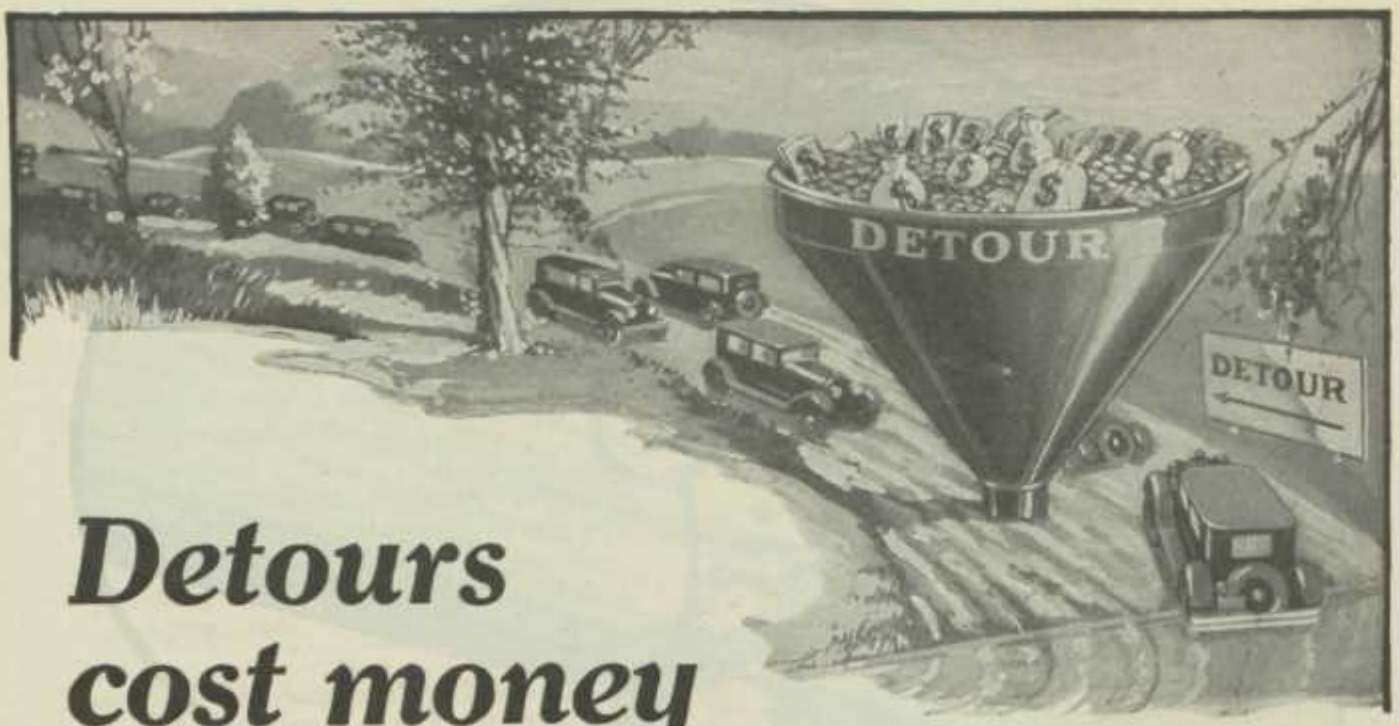
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TRADE MARK

FOR ACTIVE BUSINESS RECORDS

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Detours cost money

COUNT up the times this year that you are thrown off your route by detours and note *how few* times it is caused by repair work on *vitrified brick pavements.*

There are brick pavements in use today laid more than a quarter-century ago which have not yet had a dollar of repair cost charged against them. Even though designed only for the easy burdens of light buggies, farm wagons and horse-drawn drays, scores of these veteran brick pavements have proved able to carry the modern 10-ton motor truck.

The paving material that holds upkeep and re-repair cost to a minimum and saves its community from detours is *vitrified brick,* the most economical pavement a community can buy.

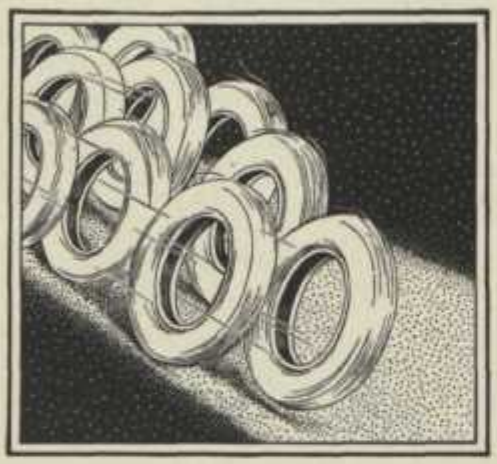
Pave With **VITRIFIED Brick**

The Pavement that Outlasts the Bonds

NATIONAL PAVING BRICK MANUFACTURERS ASSOCIATION, ENGINEERS BLDG., CLEVELAND, OHIO

When writing to National Paving Brick Manufacturers Association *please mention Nation's Business*

They keep sales rolling
by LONG DISTANCE TELEPHONE



IN ATLANTA, GEORGIA, a wide-awake automobile tire concern worked out a follow-up telephone sales campaign. Telephone sales are assigned definitely to one employee and are his entire work. Fifteen days after the visit of each salesman this man gets the dealer on the telephone and solicits additional business. The telephone sales cost of this new business runs extremely low—often as low as one-half of one per cent on the total volume of new business secured!

BONDS AND BRICKS, ice cream and locomotives, matches and coal, groceries and flowers, textiles and real estate — these and dozens of other commodities are being bought and sold by long distance telephone. Long distance calls reach customers and prospective buyers who otherwise could not be reached so cheaply or promptly, if at all. They save the strength and health, as well as the time, of executives and salesmen. A long distance call covers hundreds or thousands of miles and *gets the answer* in a small fraction of the time and trouble required by any other means of communication.

Are you and your concern using your telephone arm with which to outreach distance for business? Are your executives in constant contact with their men and with important customers? Are you using the telephone on the principle of the heaping measure—to get new business at almost negligible expense — new business that otherwise would be lost?

The Commercial Department of your local Bell company will gladly study your business and lay out a program of Long Distance selling, buying or collections. In the meantime you can talk 400 or 4000 miles just like speaking across the street. What far-distant call would you like to make, now? . . . . . *Number, please?*

BELL LONG DISTANCE SERVICE

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As far as your service needs go each of these Autocar branches is the Autocar factory itself



This service is maintained by one organization: The Autocar Sales and Service Company

FROM these 51 branches — factory-equipped, trained and controlled — radiates a further system of affiliated representatives and authorized service stations.

Thus the uninterrupted earning capacity of every Autocar Truck is assured. Thousands of Autocar users, individuals and great corporations, have learned to make that assurance one of their permanent operating economies.

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